

**Contract Award Form for  
Provision for Enhanced International  
Support Services**

1.	<b>Buyer</b>	The Department for International Trade (the Buyer).  Its offices are: 3 Whitehall Place, London, SW1A 2AW
2.	<b>Supplier</b>	Name: <b>OCO Global Limited</b> Address: 6 Citylink Business Park Belfast BT12 4HB  Registration number: NI045268
3.	<b>Contract</b>	This Contract between the Buyer and the Supplier is for the supply of Deliverables. This opportunity is advertised in the Contract Notice in the Official Journal of the European Union reference [2020-040290] (OJEU Contract Notice).
4.	<b>Contract Reference</b>	<b>CR_299</b>
5.	<b>Deliverables</b>	The Supplier shall provide an enhanced international support service in accordance with Schedule 2 (Specification).  See Schedule 2 (Service Description) for further details.
6.	<b>Start Date</b>	01 October 2020
7.	<b>End Date</b>	TBC
8.	<b>Extension Period</b>	The Buyer shall have the option to extend the Contract for two periods of up to 12 months.
9.	<b>Incorporated Terms</b>  (together these documents form the 'the Contract')	The following documents are incorporated into the Contract. Where numbers are missing, we are not using these Schedules. If the documents conflict, the following order of precedence applies: 1. This Award Form 2. Any Special Terms (see <b>Section 10 Special Terms</b> in this Award Form) Core Terms (version 1.0) Schedule 1 (Definitions)

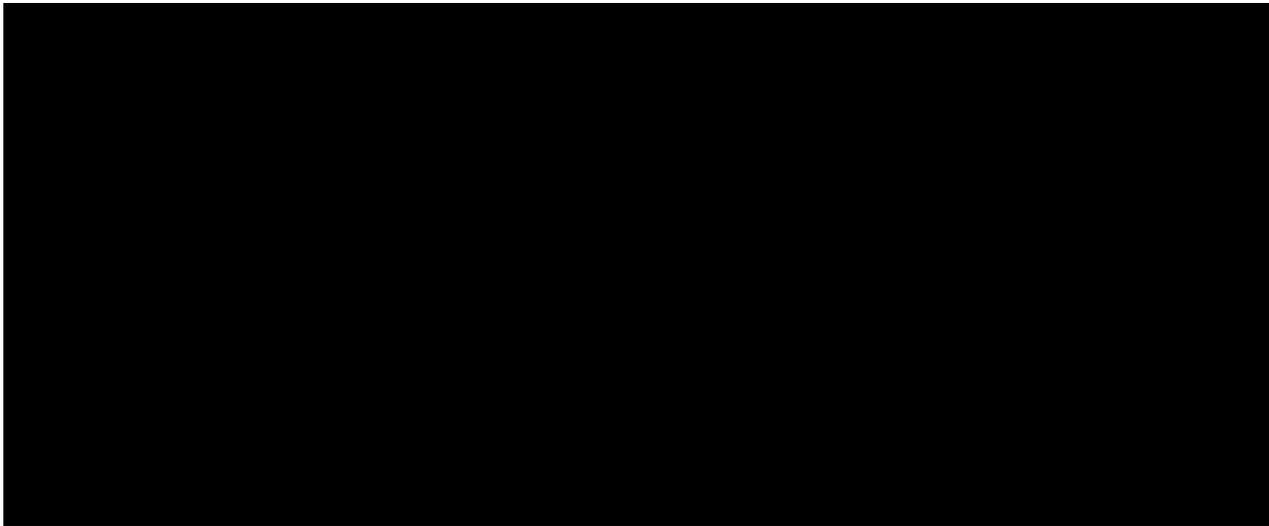
- Schedule 2 (Specification)
- Schedule 3 (Charges and Invoicing)
- Schedule 5 (Commercially Sensitive Information)
- Schedule 6 (Records and Reporting Provisions)
- Schedule 7 (Staff Transfer)
- Schedule 8 (Implementation Plan & Testing)
- Schedule 9 (Service Levels)
- Schedule 10 (Continuous Improvement)
- Schedule 11 (Contract Management)
- Schedule 12 (Business Continuity and Disaster Recovery)
- Schedule 13 (Security)
- Schedule 14 (Supply Chain Visibility)
- Schedule 16 (Variation Form)
- Schedule 17 (Insurance)
- Schedule 18 (Guarantee)
- Schedule 19 (Financial Distress)
- Schedule 20 (Rectification Plan)
- Schedule 21 (Corporate Social Responsibility)
- Schedule 22 (Key Subcontractors)
- Schedule 23 (Key Supplier Staff)
- Schedule 24 (Exit)
- Schedule 25 (Financial Reports and Audits)

3. Schedule 4 (Tender) as long as any part of the Tender that offers a better commercial position for the Buyer takes precedence over the documents above

10.	<b>Special Terms</b>	Special Term 1 – Clauses 6.2 to 6.4 inclusive shall be deleted and Schedule 25 (Financial Reports and Audits) inserted
11.	<b>Buyer's Environmental Policy</b>	<b>Not Applicable</b>
12.	<b>Buyer's Security Policy</b>	Schedule 13 (Security)
13.	<b>Social Value Commitment</b>	The Supplier agrees, in providing the Deliverables and performing its obligations under the Contract, that it will comply with the social value commitments in Schedule 21 (Corporate Social Responsibility)
14.	<b>Commercially Sensitive Information</b>	Supplier's Commercially Sensitive Information (Schedule 5)
15.	<b>Charges</b>	Details in Schedule 3 (Charges and Invoicing)
16.	<b>Reimbursable Expenses</b>	Recoverable as set out in Schedule 3 (Charges and Invoicing)
17.	<b>Payment Method</b>	As set out in Schedule 3 (Charges and Invoicing)
18.	<b>Service Levels</b>	Service Credits will accrue in accordance with Schedule 9 (Service Levels) [REDACTED] [REDACTED] The Service Period is a month
19.	<b>Insurance</b>	Details in Annex of Schedule 17 (Insurance Requirements).
20.	<b>Liability</b>	In accordance with Clause 11.1 of the Core Terms each Party's total aggregate liability in each Contract Year under the Contract (whether in tort, contract or otherwise) is no more than the greater of [REDACTED] [REDACTED]
21.	<b>Security Accreditation</b>	The Supplier shall demonstrate to the Buyer's satisfaction that it meets all technical requirements prescribed by ISO/IEC 27001 or an equivalent standard approved by the Buyer on each anniversary of the Effective Date. In the event that the Supplier is unable to satisfy the Buyer

		that the relevant standard has been met the Buyer shall be entitled to terminate the Contract for material Default.
22.	<b>Progress Meetings and Progress Reports</b>	<p>The Supplier shall attend Progress Meetings with the Buyer every month in accordance with Schedule 11 (Contract Management)</p> <p>The Supplier shall provide the Buyer with Progress Reports every week in accordance with Schedule 8 (Implementation Plan and Testing)</p>
23.	<b>Guarantee</b>	Not applicable
24.	[REDACTED]	[REDACTED]
25.	[REDACTED]	[REDACTED]
26.	[REDACTED]	[REDACTED]
27.	[REDACTED]	[REDACTED]

28.	[REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
29.	<b>Key Subcontractor (s)</b>	<b>Key Subcontractor 1</b> [REDACTED] [REDACTED]
30.	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]





# Core Terms – Mid-tier

## 1. DEFINITIONS USED IN THE CONTRACT

1.1 Interpret this Contract using Schedule 1 (Definitions).

## 2. HOW THE CONTRACT WORKS

2.1 If the Buyer decides to buy Deliverables under the Contract it must state its requirements using the Award Form). If allowed by the Regulations, the Buyer can:

- make changes to Award Form
- create new Schedules
- exclude optional template Schedules
- use Special Terms in the Award Form to add or change terms

2.2 The Contract:

- is between the Supplier and the Buyer
- includes Core Terms, Schedules and any other changes or items in the completed Award Form

2.3 The Supplier acknowledges it has all the information required to perform its obligations under the Contract before entering into it. When information is provided by the Buyer no warranty of its accuracy is given to the Supplier.

2.4 The Supplier won't be excused from any obligation, or be entitled to additional Costs or Charges because it failed to either:

- verify the accuracy of the Due Diligence Information
- properly perform its own adequate checks

2.5 The Buyer will not be liable for errors, omissions or misrepresentation of any information.

2.6 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.

## 3. WHAT NEEDS TO BE DELIVERED

## **1** 3.1 All deliverables

### 3.1.1 The Supplier must provide Deliverables:

- that comply with the Specification, the Tender Response and the Contract
- using Good Industry Practice
- using its own policies, processes and internal quality control measures as long as they don't conflict with the Contract
- on the dates agreed
- that comply with Law

3.1.2 In the event that a level of warranty is not specified in the Award Form, the Supplier must provide Deliverables with a warranty of at least 90 days from Delivery against all obvious defects.

## **2** 3.2 Goods clauses

3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.

3.2.2 All manufacturer warranties covering the Goods must be assignable to the Buyer on request and for free.

3.2.3 The Supplier transfers ownership of the Goods on Delivery or payment for those Goods, whichever is earlier.

3.2.4 Risk in the Goods transfers to the Buyer on Delivery of the Goods, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within 3 Working Days of Delivery.

3.2.5 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.

3.2.6 The Supplier must deliver the Goods on the date and to the specified location during the Buyer's working hours.

3.2.7 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.

3.2.8 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.

3.2.9 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.

3.2.10 The Supplier must indemnify the Buyer against the costs of any Recall of the Goods and give notice of actual or anticipated action about the Recall of the Goods.

3.2.11 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than 14 days notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier takes all reasonable steps to minimise these costs.

3.2.12 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they don't conform with Clause 3. If the Supplier doesn't do this it will pay the Buyer's costs including repair or re-supply by a third party.

### **3** 3.3 Services clauses

3.3.1 Late Delivery of the Services will be a Default of the Contract.

3.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions of the Buyer or third party suppliers.

3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services.

3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to the Contract.

3.3.5 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.

3.3.6 The Supplier must ensure all Services, and anything used to Deliver the Services, are of good quality and free from defects.

3.3.7 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.

## 4 PRICING AND PAYMENTS

4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges in the Award Form.

4.2 All Charges:

- exclude VAT, which is payable on provision of a valid VAT invoice
- include all costs connected with the Supply of Deliverables

4.3 The Buyer must pay the Supplier the Charges within 30 days of receipt by the Buyer of a valid, undisputed invoice, in cleared funds using the payment method and details stated in the Award Form.

4.4 A Supplier invoice is only valid if it:

- includes all appropriate references including the Contract reference number and other details reasonably requested by the Buyer
- includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any)

4.5 The Buyer may retain or set-off payment of any amount owed to it by the Supplier if notice and reasons are provided.

4.6 The Supplier must ensure that all Subcontractors are paid, in full, within 30 days of receipt of a valid, undisputed invoice. If this does not happen, the Buyer can publish the details of the late payment or non-payment.

4.7 If the Buyer can get more favourable commercial terms for the supply at cost of any materials, goods or services used by the Supplier to provide the Deliverables and that cost is reimbursable by the Buyer, then the Buyer may either:

- require the Supplier to replace its existing commercial terms with the more favourable terms offered for the relevant items; or
- enter into a direct agreement with the Subcontractor or third party for the relevant item

4.8 If the Buyer uses Clause 4.7 then the Charges must be reduced by an agreed amount by using the Variation Procedure.

4.9 The Buyer's right to enter into a direct agreement for the supply of the relevant items is subject to both:

- the relevant item being made available to the Supplier if required to provide the Deliverables
- any reduction in the Charges excludes any unavoidable costs that must be paid by the Supplier for the substituted item, including any licence fees or early termination charges

4.10 The Supplier has no right of set-off, counterclaim, discount or abatement unless they're ordered to do so by a court.

## 5. THE BUYER'S OBLIGATIONS TO THE SUPPLIER

5.1 If Supplier Non-Performance arises from a Buyer Cause:

- the Buyer cannot terminate the Contract under Clause 10.4.1
- the Supplier is entitled to reasonable and proven additional expenses and to relief from Delay Payments, liability and Deduction under this Contract
- the Supplier is entitled to additional time needed to make the Delivery
- the Supplier cannot suspend the ongoing supply of Deliverables

5.2 Clause 5.1 only applies if the Supplier:

- gives notice to the Buyer of the Buyer Cause within 10 Working Days of becoming aware
- demonstrates that the Supplier Non-Performance only happened because of the Buyer Cause
- mitigated the impact of the Buyer Cause

## 6. RECORD KEEPING AND REPORTING

6.1 The Supplier must attend Progress Meetings with the Buyer and provide Progress Reports when specified in the Award Form.

6.2 The Supplier must keep and maintain full and accurate records and accounts in respect of the Contract for 7 years after the End Date and in accordance with the GDPR.

6.3 The Supplier must allow any Auditor access to their premises to verify all contract accounts and records of everything to do with the Contract and provide copies for an Audit.

6.4 The Supplier must provide information to the Auditor and reasonable co-operation at their request.

6.5 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:

- tell the Buyer and give reasons
- propose corrective action
- provide a deadline for completing the corrective action

## 7. SUPPLIER STAFF

7.1 The Supplier Staff involved in the performance of the Contract must:

- be appropriately trained and qualified
- be vetted using Good Industry Practice and the Security Policy
- comply with all conduct requirements when on the Buyer's Premises

7.2 Where the Buyer decides one of the Supplier's Staff is not suitable to work on the Contract, the Supplier must replace them with a suitably qualified alternative.

7.3 If requested, the Supplier must replace any person whose acts or omissions have caused the Supplier to breach Clause 27.

7.4 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.

7.5 The Supplier indemnifies the Buyer against all claims brought by any person employed by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.

## 8. RIGHTS AND PROTECTION

8.1 The Supplier warrants and represents that:

- it has full capacity and authority to enter into and to perform the Contract
- the Contract is executed by its authorised representative
- it is a legally valid and existing organisation incorporated in the place it was formed
- there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform the Contract
- it maintains all necessary rights, authorisations, licences and consents to perform its obligations under the Contract
- it doesn't have any contractual obligations which are likely to have a material adverse effect on its ability to perform the Contract
- it is not impacted by an Insolvency Event

8.2 The warranties and representations in Clauses 2.6 and 8.1 are repeated each time the Supplier provides Deliverables under the Contract.

8.3 The Supplier indemnifies the Buyer against each of the following:

- wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts the Contract
- non-payment by the Supplier of any tax or National Insurance

8.4 All claims indemnified under this Contract must use Clause 26.

8.5 The Buyer can terminate the Contract for breach of any warranty or indemnity where they are entitled to do so.

8.6 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify the Buyer.

8.7 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier.

## 9. INTELLECTUAL PROPERTY RIGHTS (IPRS)

9.1 Each Party keeps ownership of its own Existing IPRs. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable worldwide licence to use, change and sub-license the Supplier's Existing IPR to enable it to both:

- receive and use the Deliverables
- make use of the deliverables provided by a Replacement Supplier

9.2 Any New IPR created under the Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use any Existing IPRs and New IPRs for the purpose of fulfilling its obligations during the Contract Period.

9.3 Where a Party acquires ownership of IPRs incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.

9.4 Neither Party has the right to use the other Party's IPRs, including any use of the other Party's names, logos or trademarks, except as provided in Clause 9 or otherwise agreed in writing.

9.5 If there is an IPR Claim, the Supplier indemnifies the Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.

9.6 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option, either:

- obtain for the Buyer the rights in Clause 9.1 and 9.2 without infringing any third party IPR
- replace or modify the relevant item with substitutes that don't infringe IPR without adversely affecting the functionality or performance of the Deliverables

## 10. ENDING THE CONTRACT

10.1 The Contract takes effect on the Start Date and ends on the End Date or earlier if required by Law.

10.2 The Buyer can extend the Contract for the Extension Period by giving the Supplier no less than 3 Months' written notice before the Contract expires.

## 1 10.3 Ending the contract without a reason

10.3.1 The Buyer has the right to terminate the Contract at any time without reason or liability by giving the Supplier at least 90 days' notice and if it's terminated Clause 10.5.2 to 10.5.7 applies.

## 2 10.4 When the Buyer can end the Contract

10.4.1 If any of the following events happen, the Buyer has the right to immediately terminate the Contract by issuing a Termination Notice to the Supplier:

- there's a Supplier Insolvency Event
- there's a Default that is not corrected in line with an accepted Rectification Plan
- the Buyer rejects a Rectification Plan or the Supplier does not provide it within 10 days of the request
- there's any material Default of the Contract
- there's any material Default of any Joint Controller Agreement relating to the Contract
- there's a Default of Clauses 2.6, 9, 14, 15, 27 or 32 relating to the Contract
- there's a consistent repeated failure to meet the Service Levels in Schedule 9 (Service Levels)
- there's a Change of Control of the Supplier which isn't pre-approved by the Buyer in writing
- there's a Variation to the Contract which cannot be agreed using Clause 24 (Changing the contract) or resolved using Clause 34 (Resolving disputes)
- The Buyer discovers that the Supplier was in one of the situations in 57 (1) or 57(2) of the Regulations at the time the Contract was awarded
- the Court of Justice of the European Union uses Article 258 of the Treaty on the Functioning of the European Union (TFEU) to declare that the Contract should not have been awarded to the Supplier because of a serious breach of the TFEU or the Regulations
- the Supplier or its Affiliates embarrass or bring the Buyer into disrepute or diminish the public trust in them

10.4.2 If there is a Default, the Buyer can, without limiting its other rights, request that the Supplier provide a Rectification Plan.

10.4.3 When the Buyer receives a requested Rectification Plan it can either:

- reject the Rectification Plan or revised Rectification Plan, giving reasons
- accept the Rectification Plan or revised Rectification Plan (without limiting its rights) and the Supplier must immediately start work on the actions in the Rectification Plan at its own cost, unless agreed otherwise by the Parties

10.4.4 Where the Rectification Plan or revised Rectification Plan is rejected, the Buyer:

- must give reasonable grounds for its decision
- may request that the Supplier provides a revised Rectification Plan within 5 Working Days

10.4.5 If any of the events in 73 (1) (a) to (c) of the Regulations happen, the Buyer has the right to immediately terminate the Contract and Clause 10.5.2 to 10.5.7 applies.

### 3 10.5 What happens if the contract ends

Where the Buyer terminates the Contract under Clause 10.4.1 all of the following apply:

10.5.1 The Supplier is responsible for the Buyer's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period.

10.5.2 The Buyer's payment obligations under the terminated Contract stop immediately.

10.5.3 Accumulated rights of the Parties are not affected.

10.5.4 The Supplier must promptly delete or return the Government Data except where required to retain copies by law.

10.5.5 The Supplier must promptly return any of the Buyer's property provided under the terminated Contract.

10.5.6 The Supplier must, at no cost to the Buyer, co-operate fully in the handover and re-procurement (including to a Replacement Supplier).

10.5.7 The following Clauses survive the termination of the Contract: 3.2.10, 6, 7.2, 9, 11, 14, 15, 16, 17, 18, 34, 35 and any Clauses and Schedules which are expressly or by implication intended to continue.

#### **4** 10.6 When the supplier can end the contract

10.6.1 The Supplier can issue a Reminder Notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate the Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the total Contract Value within 30 days of the date of the Reminder Notice.

10.6.2 If a Supplier terminates the Contract under Clause 10.6.1:

- the Buyer must promptly pay all outstanding Charges incurred to the Supplier
- the Buyer must pay the Supplier reasonable committed and unavoidable Losses as long as the Supplier provides a fully itemised and costed schedule with evidence - the maximum value of this payment is limited to the total sum payable to the Supplier if the Contract had not been terminated
- Clauses 10.5.4 to 10.5.7 apply

#### **5** 10.7 When subcontracts can be ended

At the Buyer's request, the Supplier must terminate any Subcontracts in any of the following events:

- there is a Change of Control of a Subcontractor which isn't pre-approved by the Buyer in writing
- the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 10.4
- a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Buyer

#### **6** 10.8 Partially ending and suspending the contract

10.8.1 Where the Buyer has the right to terminate the Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends the Contract it can provide the Deliverables itself or buy them from a third party.

10.8.2 The Buyer can only partially terminate or suspend the Contract if the remaining parts of that Contract can still be used to effectively deliver the intended purpose.

10.8.3 The Parties must agree any necessary Variation required by Clause 10.8 using the Variation Procedure, but the Supplier may not either:

- reject the Variation
- increase the Charges, except where the right to partial termination is under Clause 10.3

10.8.4 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under Clause 10.8.

## 11. HOW MUCH YOU CAN BE HELD RESPONSIBLE FOR

11.1 Each Party's total aggregate liability in each Contract Year under the Contract (whether in tort, contract or otherwise) is no more than [REDACTED] unless specified in the Award Form.

11.2 No Party is liable to the other for:

- any indirect Losses
- Loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect)

11.3 In spite of Clause 11.1, neither Party limits or excludes any of the following:

- its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors
- its liability for bribery or fraud or fraudulent misrepresentation by it or its employees
- any liability that cannot be excluded or limited by Law

11.4 In spite of Clause 11.1, the Supplier does not limit or exclude its liability for any indemnity given under Clauses 7.5, 8.3, 9.5, 12.2 or 14.8 or Schedule 7 (Staff Transfer) of the Contract.

11.5 Each Party must use all reasonable endeavours to mitigate any Loss or damage which it suffers under or in connection with the Contract, including any indemnities.

11.6 When calculating the Supplier's liability under Clause 11.1 the following items will not be taken into consideration:

- Deductions
- any items specified in Clause 11.4

11.7 If more than one Supplier is party to the Contract, each Supplier Party is fully responsible for both their own liabilities and the liabilities of the other Suppliers.

## 12. OBEYING THE LAW

12.1 The Supplier must use reasonable endeavours to comply with the provisions of Schedule 21 (Corporate Social Responsibility).

12.2 The Supplier indemnifies the Buyer against any costs resulting from any Default by the Supplier relating to any applicable Law.

12.3 The Supplier must appoint a Compliance Officer who must be responsible for ensuring that the Supplier complies with Law, Clause 12.1 and Clauses 27 to 32.

## 13. INSURANCE

The Supplier must, at its own cost, obtain and maintain the Required Insurances in Schedule 17 (Insurance Requirements).

## 14. DATA PROTECTION

14.1 The Supplier must process Personal Data and ensure that Supplier Staff process Personal Data only in accordance with Schedule 15 (Processing Data).

14.2 The Supplier must not remove any ownership or security notices in or relating to the Government Data.

14.3 The Supplier must make accessible back-ups of all Government Data, stored in an agreed off-site location and send the Buyer copies every 6 Months.

14.4 The Supplier must ensure that any Supplier system holding any Government Data, including back-up data, is a secure system that complies with the Security Policy and any applicable Security Management Plan.

14.5 If at any time the Supplier suspects or has reason to believe that the Government Data provided under the Contract is corrupted, lost or sufficiently degraded, then the Supplier must notify the Buyer and immediately suggest remedial action.

14.6 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable the Buyer may either or both:

- tell the Supplier to restore or get restored Government Data as soon as practical but no later than 5 Working Days from the date that the Buyer receives notice, or the Supplier finds out about the issue, whichever is earlier
- restore the Government Data itself or using a third party

14.7 The Supplier must pay each Party's reasonable costs of complying with Clause 14.6 unless the Buyer is at fault.

14.8 The Supplier:

- must provide the Buyer with all Government Data in an agreed open format within 10 Working Days of a written request
- must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading
- must securely destroy all Storage Media that has held Government Data at the end of life of that media using Good Industry Practice
- securely erase all Government Data and any copies it holds when asked to do so by the Buyer unless required by Law to retain it
- indemnifies the Buyer against any and all Losses incurred if the Supplier breaches Clause 14 and any Data Protection Legislation.

## 15. WHAT YOU MUST KEEP CONFIDENTIAL

15.1 Each Party must:

- keep all Confidential Information it receives confidential and secure
- not disclose, use or exploit the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent, except for the purposes anticipated under the Contract
- immediately notify the Disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information

15.2 In spite of Clause 15.1, a Party may disclose Confidential Information which it receives from the Disclosing Party in any of the following instances:

- where disclosure is required by applicable Law or by a court with the relevant jurisdiction if the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure
- if the Recipient Party already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party
- if the information was given to it by a third party without obligation of confidentiality
- if the information was in the public domain at the time of the disclosure
- if the information was independently developed without access to the Disclosing Party's Confidential Information
- to its auditors or for the purposes of regulatory requirements
- on a confidential basis, to its professional advisers on a need-to-know basis
- to the Serious Fraud Office where the Recipient Party has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010

15.3 The Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier Staff must enter into a direct confidentiality agreement with the Buyer at its request.

15.4 The Buyer may disclose Confidential Information in any of the following cases:

- on a confidential basis to the employees, agents, consultants and contractors of the Buyer
- on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company that the Buyer transfers or proposes to transfer all or any part of its business to
- if the Buyer (acting reasonably) considers disclosure necessary or

- appropriate to carry out its public functions
- where requested by Parliament
- under Clauses 4.7 and 16

15.5 For the purposes of Clauses 15.2 to 15.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in Clause 15.

15.6 Transparency Information and any Information which is exempt from disclosure by Clause 16 is not Confidential Information.

15.7 The Supplier must not make any press announcement or publicise the Contracts or any part of them in any way, without the prior written consent of the Buyer and must take all reasonable steps to ensure that Supplier Staff do not either.

## 16. WHEN YOU CAN SHARE INFORMATION

16.1 The Supplier must tell the Buyer within 48 hours if it receives a Request For Information.

16.2 Within the required timescales the Supplier must give the Buyer full co-operation and information needed so the Buyer can:

- publish the Transparency Information
- comply with any Freedom of Information Act (FOIA) request
- comply with any Environmental Information Regulations (EIR) request

16.3 The Buyer may talk to the Supplier to help it decide whether to publish information under Clause 16. However, the extent, content and format of the disclosure is the Buyer's decision, which does not need to be reasonable.

## 17. INVALID PARTS OF THE CONTRACT

If any part of the Contract is prohibited by Law or judged by a court to be unlawful, void or unenforceable, it must be read as if it was removed from that Contract as much as required and rendered ineffective as far as possible without affecting the rest of the Contract, whether it's valid or enforceable.

## 18. NO OTHER TERMS APPLY

The provisions incorporated into the Contract are the entire agreement between the Parties. The Contract replaces all previous statements and agreements whether written or oral. No other provisions apply.

## 19. OTHER PEOPLE'S RIGHTS IN THE CONTRACT

No third parties may use the Contracts (Rights of Third Parties) Act (CRTPA) to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

## 20. CIRCUMSTANCES BEYOND YOUR CONTROL

20.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under the Contract while the inability to perform continues, if it both:

- provides a Force Majeure Notice to the other Party
- uses all reasonable measures practical to reduce the impact of the Force Majeure Event

20.2 Either party can partially or fully terminate the affected Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for 90 days continuously.

20.3 Where a Party terminates under Clause 20.2:

- each party must cover its own Losses
- Clause 10.5.2 to 10.5.7 applies

## 21. RELATIONSHIPS CREATED BY THE CONTRACT

The Contract does not create a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

## 22. GIVING UP CONTRACT RIGHTS

A partial or full waiver or relaxation of the terms of the Contract is only valid if it is stated to be a waiver in writing to the other Party.

## 23. TRANSFERRING RESPONSIBILITIES

23.1 The Supplier cannot assign the Contract without the Buyer's written consent.

23.2 The Buyer can assign, novate or transfer its Contract or any part of it to any Crown Body, public or private sector body which performs the functions of the Buyer.

23.3 When the Buyer uses its rights under Clause 23.2 the Supplier must enter into a novation agreement in the form that the Buyer specifies.

23.4 The Supplier can terminate the Contract novated under Clause 23.2 to a private sector body that is experiencing an Insolvency Event.

23.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.

23.6 If the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:

- their name
- the scope of their appointment
- the duration of their appointment

## 24. CHANGING THE CONTRACT

24.1 Either Party can request a Variation to the Contract which is only effective if agreed in writing and signed by both Parties

24.2 The Supplier must provide an Impact Assessment either:

- with the Variation Form, where the Supplier requests the Variation
- within the time limits included in a Variation Form requested by the Buyer

24.3 If the Variation to the Contract cannot be agreed or resolved by the Parties, the Buyer can either:

- agree that the Contract continues without the Variation
- terminate the affected Contract, unless the Supplier has already provided part or all of the provision of the Deliverables, or where the Supplier can show evidence of substantial work being carried out to provide them
- refer the Dispute to be resolved using Clause 34 (Resolving Disputes)

24.4 The Buyer is not required to accept a Variation request made by the Supplier.

24.5 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the Charges.

24.6 If there is a Specific Change in Law or one is likely to happen during the Contract Period the Supplier must give the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, the Charges or the Contract and provide evidence:

- that the Supplier has kept costs as low as possible, including in Subcontractor costs
- of how it has affected the Supplier's costs

24.7 Any change in the Charges or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 24.1 to 24.4.

## 25. HOW TO COMMUNICATE ABOUT THE CONTRACT

25.1 All notices under the Contract must be in writing and are considered effective on the Working Day of delivery as long as they're delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective when sent unless an error message is received.

25.2 Notices to the Buyer must be sent to the Buyer Authorised Representative's address or email address in the Award Form.

25.3 This Clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

## 26. DEALING WITH CLAIMS

26.1 If a Beneficiary is notified of a Claim then it must notify the Indemnifier as soon as reasonably practical and no later than 10 Working Days.

26.2 At the Indemnifier's cost the Beneficiary must both:

- allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim
- give the Indemnifier reasonable assistance with the claim if requested

26.3 The Beneficiary must not make admissions about the Claim without the prior written consent of the Indemnifier which cannot be unreasonably withheld or delayed.

26.4 The Indemnifier must consider and defend the Claim diligently using competent legal advisors and in a way that doesn't damage the Beneficiary's reputation.

26.5 The Indemnifier must not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.

26.6 Each Beneficiary must take all reasonable steps to minimise and mitigate any losses that it suffers because of the Claim.

26.7 If the Indemnifier pays the Beneficiary money under an indemnity and the Beneficiary later recovers money which is directly related to the Claim, the Beneficiary must immediately repay the Indemnifier the lesser of either:

- the sum recovered minus any legitimate amount spent by the Beneficiary when recovering this money
- the amount the Indemnifier paid the Beneficiary for the Claim

## 27. PREVENTING FRAUD, BRIBERY AND CORRUPTION

27.1 The Supplier must not during any Contract Period:

- commit a Prohibited Act or any other criminal offence in the Regulations 57(1) and 57(2)
- do or allow anything which would cause the Buyer, including any of their employees, consultants, contractors, Subcontractors or agents to breach any of the Relevant Requirements or incur any liability under

them

27.2 The Supplier must during the Contract Period:

- create, maintain and enforce adequate policies and procedures to ensure it complies with the Relevant Requirements to prevent a Prohibited Act and require its Subcontractors to do the same
- keep full records to show it has complied with its obligations under Clause 27 and give copies to the Buyer on request
- if required by the Buyer, within 20 Working Days of the Start Date of the Contract, and then annually, certify in writing to the Buyer, that they have complied with Clause 27, including compliance of Supplier Staff, and provide reasonable supporting evidence of this on request, including its policies and procedures

27.3 The Supplier must immediately notify the Buyer if it becomes aware of any breach of Clauses 27.1 or 27.2 or has any reason to think that it, or any of the Supplier Staff, has either:

- been investigated or prosecuted for an alleged Prohibited Act
- been debarred, suspended, proposed for suspension or debarment, or is otherwise ineligible to take part in procurement programmes or contracts because of a Prohibited Act by any government department or agency
- received a request or demand for any undue financial or other advantage of any kind related to the Contract
- suspected that any person or Party directly or indirectly related to the Contract has committed or attempted to commit a Prohibited Act

27.4 If the Supplier notifies the Buyer as required by Clause 27.3, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow the Audit of any books, records and relevant documentation.

27.5 In any notice the Supplier gives under Clause 27.4 it must specify the:

- Prohibited Act
- identity of the Party who it thinks has committed the Prohibited Act
- action it has decided to take

## 28. EQUALITY, DIVERSITY AND HUMAN RIGHTS

28.1 The Supplier must follow all applicable equality Law when they perform their obligations under the Contract, including:

- protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise

- any other requirements and instructions which the Buyer reasonably imposes related to equality Law

28.2 The Supplier must take all necessary steps, and inform the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on the Contract.

## 29. HEALTH AND SAFETY

29.1 The Supplier must perform its obligations meeting the requirements of:

- all applicable Law regarding health and safety
- the Buyer's current health and safety policy while at the Buyer's Premises, as provided to the Supplier

29.2 The Supplier must as soon as possible notify the other of any health and safety incidents or material hazards they're aware of at the Buyer Premises that relate to the performance of the Contract.

## 30. ENVIRONMENT

30.1 When working on Site the Supplier must perform its obligations under the Buyer's current Environmental Policy, which the Buyer must provide.

30.2 The Supplier must ensure that Supplier Staff are aware of the Buyer's Environmental Policy.

## 31. TAX

31.1 The Supplier must not breach any tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. The Buyer cannot terminate the Contract where the Supplier has not paid a minor tax or social security contribution.

31.2 Where the Charges payable under the Contract are or are likely to [REDACTED] at any point during the relevant Contract Period, and an Occasion of Tax Non-Compliance occurs, the Supplier must notify the Buyer of it within 5 Working Days including:

- the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and any mitigating factors that it considers relevant
- other information relating to the Occasion of Tax Non-Compliance that the Buyer may reasonably need

31.3 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under the Contract, the Supplier must both:

- comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, the Social Security Contributions and Benefits Act 1992 (including IR35) and National Insurance contributions
- indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Contract Period in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff

31.4 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains the following requirements:

- the Buyer may, at any time during the Contract Period, request that the Worker provides information which demonstrates they comply with Clause 31.3, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding
- the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the information requested by the Buyer within the time specified by the Buyer
- the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers isn't good enough to demonstrate how it complies with Clause 31.3 or confirms that the Worker is not complying with those requirements
- the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management

## 32. CONFLICT OF INTEREST

32.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual or potential Conflict of Interest.

32.2 The Supplier must promptly notify and provide details to the Buyer if a Conflict of Interest happens or is expected to happen.

32.3 The Buyer can terminate its Contract immediately by giving notice in writing to the Supplier or take any steps it thinks are necessary where there is or may be an actual or potential Conflict of Interest.

### 33. REPORTING A BREACH OF THE CONTRACT

33.1 As soon as it is aware of it the Supplier and Supplier Staff must report to the Buyer any actual or suspected breach of:

- Law
- Clause 12.1
- Clauses 27 to 32

33.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach listed in Clause 33.1 to the Buyer or a Prescribed Person.

### 34. RESOLVING DISPUTES

34.1 If there is a Dispute, the senior representatives of the Parties who have authority to settle the Dispute will, within 28 days of a written request from the other Party, meet in good faith to resolve the Dispute.

34.2 If the Dispute is not resolved at that meeting, the Parties can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the Dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the Dispute, the Dispute must be resolved using Clauses 34.3 to 34.5.

34.3 Unless the Buyer refers the Dispute to arbitration using Clause 34.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:

- determine the Dispute
- grant interim remedies
- grant any other provisional or protective relief

34.4 The Supplier agrees that the Buyer has the exclusive right to refer any Dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the Dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.

34.5 The Buyer has the right to refer a Dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under Clause 34.3, unless the Buyer has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 34.4.

34.6 The Supplier cannot suspend the performance of the Contract during any Dispute.

### 35. WHICH LAW APPLIES

This Contract and any issues arising out of, or connected to it, are governed by English law.

## **Schedule 1 (Definitions)**

1. In the Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.
2. If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
3. In the Contract, unless the context otherwise requires:
  - 3.1 the singular includes the plural and vice versa.
  - 3.2 reference to a gender includes the other gender and the neuter.
  - 3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body.
  - 3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time.
  - 3.5 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "**without limitation**".
  - 3.6 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly.
  - 3.7 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings**" as references to obligations under the Contract.
  - 3.8 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear.
  - 3.9 references to "**Paragraphs**" are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise provided; and
  - 3.10 references to a series of Clauses or Paragraphs shall be inclusive of the clause numbers specified.
  - 3.11 the headings in the Contract are for ease of reference only and shall not affect the interpretation or construction of the Contract; and
  - 3.12 where the Buyer is a Crown Body it shall be treated as contracting with the Crown as a whole.

In the Contract, unless the context otherwise requires, the following words shall have the following meanings:

<b>"Accounting Reference Date"</b>	Means the date in each year to which a company's financial accounts are prepared
<b>"Accreditation"</b>	The assessment of the Information Security Management System in accordance with Paragraph 6 of Schedule 13 (Security) by the Buyer or an independent information risk manager/professional appointed by the Buyer, which results in an Accreditation Decision.
<b>"Accreditation Decision"</b>	The decision of the Buyer, taken in accordance with the process set out in Paragraph 6 <b>Error! Reference source not found.</b> of Schedule 13 (Security) , to issue the Supplier with a Risk Management Approval Statement or a Risk Management Rejection Notice in respect of the Information Security Management System.
<b>"Accreditation Plan"</b>	The Supplier's plan to attain an Accreditation Approval Statement from the Buyer, which is prepared by the Supplier and approved by the Buyer in accordance with Paragraph 6.4 of Schedule 13 (Security).
<b>"Achieve"</b>	In respect of a milestone, the issue of a Satisfaction Certificate in respect of that milestone and <b>"Achieved"</b> , <b>"Achieving"</b> and <b>"Achievement"</b> shall be construed accordingly.
<b>"Achieved Profit Margin"</b>	The cumulative Supplier Profit Margin calculated from (and including) the Effective Date (or, if applicable, the date of the last adjustment to the Charges made pursuant to Paragraph 2.2 of Part D in Schedule 3 (Charges and Invoicing) to (and including) the last day of the previous Contract Year.
<b>"Additional Services"</b>	Ad hoc services, the cost of which falls outside of the Annual Buyer's Budget and Annual Buyer's Allowance. These could include: (1) Research and writing of additional market entry collateral for additional sectors not currently specified; (2) Research and writing of additional market entry collateral for newly emerging regions/states in the Region; (3) Event management for events commissioned by DIT / UK Diplomatic Posts or (4) In-market analysis of business behaviour and trends
<b>"Affected Party"</b>	The party seeking to claim relief in respect of a Force Majeure Event.
<b>"Affiliates"</b>	In relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time.
<b>"Annex"</b>	Extra information which supports a Schedule.
<b>"Annual Buyer's Budget"</b>	The Buyer's total budget for the Services excluding the Annual Buyer's Allowance and any budget for Additional Services, for each Contract Year starting on the Operational Commencement Date as

	communicated to the Supplier, such budget will be reviewed by the Buyer annually and may be adjusted by the Buyer from time;
<b>“Annual Contract Report”</b>	The annual contract report to be provided by the Supplier to the Buyer pursuant to Schedule 25 (Financial Reports and Audit Rights) Paragraph 1 of Part B.
<b>“Annual Contract Costs Certification Report”</b>	means the report referred to in Paragraph 1.1(b) of Part A of Schedule 25 (Financial Reports and Audit Rights);
<b>“Anticipated Contract Life Profit Margin”</b>	The anticipated Supplier Profit Margin over the Contract Period as reflected in the Financial Model.
<b>“Applicable Financial Indicators”</b>	Means the financial indicators from Paragraph 5.1 of Schedule 19 (Financial Distress) which are to apply to the Monitored Suppliers as set out in Paragraph 5.2 of Schedule 19 (Financial Distress).
<b>“Application Programming Interface” or “API”</b>	Means a piece of software that facilitates access to the Supplier’s application(s) to provide access to business functionality and/or Buyer Data to support any relevant Termination Services which conforms to the Government Digital Service API technical and data standards set online at: <a href="https://www.gov.uk/guidance/gds-api-technical-and-data-standards">https://www.gov.uk/guidance/gds-api-technical-and-data-standards</a> .
<b>“Approval”</b>	The prior written consent of the Buyer and <b>“Approve”</b> and <b>“Approved”</b> shall be construed accordingly.
<b>“Assets”</b>	All assets and rights used by the Supplier to provide the Services in accordance with this Contract but excluding the Buyer Assets.
<b>“Audit”</b>	Any exercise by the Buyer of its audit rights pursuant to Schedule 25 (Financial Reports and Audit Rights).
<b>“Audit Agents”</b>	Means: <ul style="list-style-type: none"> <li>(a) The Buyer’s internal and external auditors;</li> <li>(b) the Buyer’s statutory or regulatory auditors;</li> <li>(c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</li> <li>(d) HM Treasury or the Cabinet Office;</li> <li>(e) any party formally appointed by the Buyer to carry out audit or similar review functions; and</li> <li>(f) successors or assigns of any of the above.</li> </ul>
<b>“Award Form”</b>	The award form signed by the Supplier and the Buyer which forms part of this Contract.

<b>"Baseline Security Requirements"</b>	The Buyer's baseline security requirements, the current copy of which is contained in Annex 1 of Schedule 13 (Security), as updated from time to time by the Buyer and notified to the Supplier.
<b>"BCDR Plan" or "(Business Continuity and Disaster Recovery Plan)"</b>	A plan prepared by the Supplier for the approval of the Buyer in accordance with Paragraph 2 of Schedule 12 (Business Continuity and Disaster Recovery) detailing the processes and arrangements that the Supplier shall follow to ensure continuity of the business processes and operations supported by the Services following and failure or disruption of any element of the Deliverables and the recovery of the Deliverables in the event of a Disaster.
<b>"Board Member"</b>	The persons appointed by the Buyer and Supplier (as applicable) to the Contract Management and Service Management Boards as set out in Annex 1 of Schedule 11 (Contract Management) and any replacements agreed by the Parties in accordance with Paragraph 5.3 of Schedule 11 (Contract Management).
<b>"Board"</b>	The Service Management Board and Contract Management Board and <b>"Board"</b> shall mean any of them;
<b>"Business Continuity Plan"</b>	Section 2 of the BCDR Plan which relates to business continuity and shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of the Deliverables remain supported and to ensure continuity of the business operations supported by the Service.
<b>"Business Partners"</b>	The wider export support 'ecosystem' that DIT works with to provide support to UK exporters, including (but not limited to) chambers of commerce, local enterprise partnerships, growth hubs, trade bodies, mayoral authorities, banks, professional services firms and other government departments.
<b>"Buyer's Budget"</b>	The Buyer's total budget as at the Start Date for the Service Charges set for the Contract Period or such period of time or defined piece of work as the context requires as communicated to the Supplier by the Buyer as required.
<b>"Buyer Cause"</b>	Any breach of the obligations of the Buyer or any other default, act, omission, negligence or statement of the Buyer, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Buyer is liable to the Supplier.
<b>"the Buyer's Confidential Information"</b>	Means: <ul style="list-style-type: none"> <li>(a) All Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Buyer (including all Buyer Existing IPR and New IPR);</li> <li>(b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has</li> </ul>

	<p>come) to the Buyer's attention or into the Buyer's possession in connection with the Contract; and</p> <p>(c) information derived from any of the above.</p>
<b>"Buyer Data"</b>	<p>(a) The data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:</p> <p>(i) supplied to the Supplier by or on behalf of the Buyer; and/or</p> <p>(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Contract; or</p> <p>(b) any Personal Data for which the Buyer is the Data Controller.</p>
<b>"BACS"</b>	The Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom.
<b>"Beneficiary"</b>	A Party having (or claiming to have) the benefit of an indemnity under this Contract.
<b>"Breach of Security"</b>	<p>The occurrence of:</p> <p>(a) any unauthorised access to or use of the Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System and/or any information or data (including the Confidential Information and the Buyer Data) used by the Buyer, the Supplier or any Sub-contractor in connection with this Contract.</p> <p>(b) the loss (physical or otherwise) and/or unauthorised disclosure of any information or data (including the Confidential Information and the Buyer Data), including copies of such information or data, used by the Buyer, the Supplier or any Sub-contractor in connection with this Contract ; and/or</p> <p>(c) any part of the Supplier System ceasing to be compliant with the Certification Requirements,</p> <p>in each case as more particularly set out in the security requirements in Schedule 2 (Specification) and the Baseline Security Requirements.</p>
<b>"Buyer Assets"</b>	The Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of the Contract.
<b>"Buyer Authorised Representative"</b>	The representative appointed by the Buyer from time to time in relation to the Contract initially identified in the Award Form.

<b>"Buyer Premises"</b>	Premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them).
<b>"Buyer System"</b>	The Buyer's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Buyer or the Supplier in connection with this Contract which is owned by the Buyer or licensed to it by a third party and which interfaces with the Supplier System or which is necessary for the Buyer to receive the Services.
<b>"Central Government Body"</b>	A body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:  <ul style="list-style-type: none"> <li>(a) Government Department;</li> <li>(b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);</li> <li>(c) Non-Ministerial Department; or</li> <li>(d) Executive Agency.</li> </ul>
<b>"Certificate of Costs"</b>	A certificate of costs signed by the Supplier's Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant certificate) and substantially in the format set out in Annex 3 of Schedule 3 (Charges and Invoicing)
<b>"Certification Requirements"</b>	The requirements set out in Paragraph 7 <b>Error! Reference source not found.</b> of Schedule 13 (Security)
<b>"Change in Law"</b>	Any change in Law which impacts on the supply of the Deliverables and performance of the Contract which comes into force after the Start Date.
<b>"Change of Control"</b>	A change of control within the meaning of Section 450 of the Corporation Tax Act 2010.
<b>"Charges"</b>	The prices (exclusive of any applicable VAT), payable to the Supplier by the Buyer under the Contract, as set out in the Award Form, for the full and proper performance by the Supplier of its obligations under the Contract less any Deductions.
<b>"China"</b>	For the purposes of this contract, China shall mean mainland China, and exclude Hong Kong and Macao.
<b>"Claim"</b>	Any claim under which it appears that a Beneficiary is, or may become, entitled to indemnification under this Contract.
<b>"Client"</b>	An Export Ready UK business, a Business Partner or other individual / body referred to and receiving any kind of support via the EISS.

<b>"Client Surveys"</b>	Quarterly surveys, run by DIT, to Client businesses in receipt of EISS support that capture satisfaction with the services provided to them by EISS advisers.
<b>"Collateral"</b>	Materials (other than Digital Services) that are used to support delivery of the EISS. These might include brochures, presentations, job aids, spreadsheets etc.
<b>"Commercially Sensitive Information"</b>	The Confidential Information listed in the Award Form (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Buyer that, if disclosed by the Buyer, would cause the Supplier significant commercial disadvantage or material financial loss.
<b>"Comparable Supply"</b>	The supply of Deliverables to another buyer of the Supplier that are the same or similar to the Deliverables set out in this Contract.
<b>"Compliance Officer"</b>	The person(s) appointed by the Supplier who is responsible for ensuring that the Supplier complies with its legal obligations.
<b>"Confidential Information"</b>	Means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as <b>"confidential"</b> ) or which ought reasonably to be considered to be confidential.
<b>"Conflict of Interest"</b>	A conflict between the financial or personal duties of the Supplier or the Supplier Staff and the duties owed to the Buyer under the Contract, in the reasonable opinion of the Buyer.
<b>"Continuous Improvement Plan"</b>	An annual plan, produced by the Supplier, setting out how they will improve the provision of Deliverables and/or reduce Charges during the coming Contract Year for the Buyer's approval.
<b>"Contract"</b>	The contract between the Buyer and the Supplier for the provision of the Deliverables, which consists of the terms (including the Schedules) set out and referred to in the Award Form.
<b>"Contract Amendment Report"</b>	The contract amendment report to be provided by the Supplier to the Buyer pursuant to Paragraph 1 of Part B of Schedule 25 (Financial Reports and Audit Rights).
<b>"Contract Inception Report"</b>	the initial Pricing Model Template in a form agreed by the Supplier and the Buyer on or before the Effective Date;
<b>"Contracts Finder"</b>	The Government's publishing portal for public sector procurement opportunities and contract data.
<b>"Contract Management Board"</b>	The body described in Paragraph 6 of Schedule 11 (Contract Management).

<b>“Contract Managers”</b>	The individuals appointed as such by the Buyer and the Supplier in accordance with Paragraph 4 of Schedule 11 (Contract Management) to manage and monitor the day-to-day delivery of the Services by the Supplier and manage the Variations requested and subsequently implemented by the Parties in accordance with Clause 24 (Changing the Contract).
<b>"Contract Period"</b>	The term of the Contract from the earlier of the: (a) applicable Start Date; or (b) the Effective Date; until the applicable End Date.
<b>“Contract Reviews”</b>	A formal review of EISS Supplier performance against contract led by the DIT Retained Function contract management team.
<b>"Contract Value"</b>	The higher of the actual or expected total Charges paid or payable under the Contract where all obligations are met by the Supplier.
<b>"Contract Year"</b>	A consecutive period of twelve (12) Months commencing on the Start Date or each anniversary thereof.
<b>"Control"</b>	Control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and <b>"Controlled"</b> shall be construed accordingly.
<b>“Controller”</b>	Has the meaning given to it in the GDPR
<b>“Core Terms”</b>	The Buyer’s standard terms and conditions for common goods and services which comprise one part of the Contract the full title of which is Core Terms – Mid-tier version 1.0.
<b>"Costs"</b>	The following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Services:  a. the cost to the Supplier or the Key Sub-contractor (as the context requires), calculated per Working Day, of engaging the Supplier Staff, including:  i. base salary paid to the Supplier Staff; ii. employer’s national insurance contributions, including any local equivalents, where applicable; iii. Employer Pension Contributions; iv. any other contractual employment benefits; v. staff training; vi. workplace accommodation; vii. workplace IT equipment and tools reasonably necessary to perform the Services (but not including items included within limb (b) below); and

	<ul style="list-style-type: none"> <li>viii. Overheads (as defined in "Overhead")</li> <li>ix. Profit margin being charged on the Supplier Staff</li> </ul> <p>b. costs incurred in respect of those Assets which are detailed on the Registers and which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Assets by the Supplier to the Buyer (not limited to the extent that risk and title in any Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Assets;</p> <p>c. operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the delivery of the Services;</p> <p>d. Reimbursable Expenses to the extent these are incurred in delivering any Services where the Charges for those Services are to be calculated on a Fixed Price or Firm Price pricing mechanism;</p> <p>but excluding:</p> <ul style="list-style-type: none"> <li>i. Overhead;</li> <li>ii. financing or similar costs;</li> <li>iii. maintenance and support costs to the extent that these relate to maintenance and/or support services provided beyond the Contract Period, whether in relation to Assets or otherwise;</li> <li>iv. taxation (when incurred in the UK);</li> <li>v. fines and penalties; and</li> <li>vi. non-cash items (including depreciation, amortisation, impairments and movements in provisions)</li> </ul>
<b>"Credit Rating Level"</b>	A credit rating level as specified in Annex 1 of Schedule 19 (Financial Distress).
<b>"Credit Rating Threshold"</b>	The minimum Credit Rating Level for each entity in the FDE Group as set out in Annex 3 of Schedule 19 (Financial Distress).
<b>"Crown Body"</b>	The government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf.
<b>"CRTPA"</b>	The Contract Rights of Third Parties Act 1999.
<b>"Data Hub"</b>	DIT's customer relationship management system and data science platform.

<b>"Data Protection Impact Assessment"</b>	An assessment by the Controller of the impact of the envisaged Processing on the protection of Personal Data.
<b>"Data Protection Legislation"</b>	(i) The GDPR, the LED and any applicable national implementing Laws as amended from time to time  (ii) the DPA 2018 to the extent that it relates to Processing of personal data and privacy;  (iii) all applicable Law about the Processing of personal data and privacy.
<b>"Data Protection Officer"</b>	Has the meaning given to it in the GDPR.
<b>"Data Subject"</b>	Has the meaning given to it in the GDPR
<b>"Data Subject Access Request"</b>	A request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data.
<b>"Deductions"</b>	All Service Credits, Delay Payments (if applicable), or any other deduction from the Charges which are due or have been paid to the Supplier.
<b>"Default"</b>	Any breach of the obligations of the Supplier (including abandonment of the Contract in breach of its terms) or any other default (including material default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of the Contract and in respect of which the Supplier is liable to the Buyer.
<b>"Delay"</b>	A delay in the Approval of a Deliverable by its Deliverable Date.
<b>"Delay Payments"</b>	The amounts (if any) payable by the Supplier to the Buyer in respect of a delay in respect of a Deliverable as specified in the Implementation Plan.
<b>"Delay Period Limit"</b>	A Delay that exceeds 10 Working Days commencing on the relevant Deliverable Date.
<b>"Deliverable Acceptance Criteria"</b>	The deliverable acceptance criteria set out for each Deliverable in the Implementation Plan or as otherwise agreed between the Parties.
<b>"Deliverable Date"</b>	The date a Deliverable is to be delivered as specified in the Implementation Plan;
<b>"Deliverable Item"</b>	An item or feature in the supply of the Deliverables delivered or to be Delivered by the Supplier at or before a Deliverable Date listed in the Implementation Plan.
<b>"Deliverable Payment"</b>	A payment identified in the Implementation Plan to be made following the issue of a Satisfaction Certificate in respect of the relevant Deliverable;

<b>"Deliverables"</b>	Services that may be ordered under the Contract including the Documentation.
<b>"Delivery"</b>	Delivery of the relevant Deliverable or milestone in accordance with the terms of the Contract as confirmed and accepted by the Buyer by either (a) confirmation in writing to the Supplier; or (b) where the Deliverable is set out in the Implementation Plan the issue by the Buyer of a Satisfaction Certificate. <b>"Deliver"</b> and <b>"Delivered"</b> shall be construed accordingly.
<b>"Devolved Administration"</b>	The Scottish Government, the Welsh Government and the Northern Ireland Executive are collectively referred to as the 'devolved administrations' (DAs)
<b>"Digital Services"</b>	Refers to web-based and other computer systems and technology solutions supplied either through the Buyer or EISS delivery partners to support delivery of the Service.
<b>"Direct Employment Costs"</b>	<p>The following costs to the extent that they are reasonably and properly incurred by the Supplier in providing the Services:</p> <ul style="list-style-type: none"> <li>(a) the cost to the Supplier and any Key Sub-contractor (as per contextual requirements) associated with Employment Liabilities calculated on number of working days per annum including: <ul style="list-style-type: none"> <li>(i) base salary;</li> <li>(ii) employer's NI/regional equivalent contributions;</li> <li>(iii) Employer Pension Contributions;</li> </ul> </li> <li>(b) Any other reasonable contractual employment benefits.</li> </ul>
<b>"Disaster"</b>	<p>means either:</p> <ul style="list-style-type: none"> <li>(a) the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable for a period of one month or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable for that period; or</li> <li>(b) the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services which are delivered directly to Clients will be unavailable for a period of three days or which is reasonably anticipated will mean that the Services or a material part of the Services which are delivered directly to Clients will be unavailable for that period;</li> </ul>

<b>"Disaster Recovery Deliverables"</b>	The Deliverables embodied in the processes and procedures for restoring the provision of the Services following the occurrence of a Disaster.
<b>"Disaster Recovery Plan"</b>	Section 3 of the Business Continuity and Disaster Recovery Plan, this shall be designed to ensure that upon occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
<b>"Disaster Recovery System"</b>	The system embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster.
<b>"Disclosing Party"</b>	The Party directly or indirectly providing Confidential Information to the other Party in accordance with Clause 15 of Mid-Tier Core Terms (What you must keep confidential).
<b>"Dispute"</b>	Any claim, or difference that arises out of or in connection with the Contract or in connection with the negotiation, existence, legal validity, enforceability or termination of the Contract, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts.
<b>"Dispute Resolution Procedure"</b>	The dispute resolution procedure set out in Clause 34 of Mid-Tier Core Terms (Resolving disputes).
<b>"DIT"</b>	The Department for International Trade and any successors or assigns of its functions.
<b>"DIT Referral Service"</b>	A digital database which acts as the record of referrals made covering EISS, DIT functions and our Business Partners.
<b>"DIT Retained Function"</b>	Refers to the DIT in-house team overseeing and supporting delivery of both the EISS and Enhanced ITA Services, covering functions such as Strategy & Policy, Contract Management, Monitoring & Evaluation
<b>"DIT HQ Function"</b>	The team in UK Regions accountable for overseeing 'business as usual' delivery of the service, ensuring that DIT delivery partners overseas deliver to contractual commitments, providing shared delivery services, ongoing monitoring and evaluation and a centralised service reporting capability.
<b>"DIT Sectors"</b>	The DIT HQ Function teams focusing on supporting trade in specific industrial sectors and working across DIT and other stakeholders to address sectoral barriers to trade and promote sector driven high value campaigns.
<b>"Documentation"</b>	Descriptions of the Services and Service Levels, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions

	<p>and all such other documentation (whether in hardcopy or electronic form) is required to be supplied by the Supplier to the Buyer under the Contract as:</p> <p>(a) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables;</p> <p>(b) is required by the Supplier in order to provide the Deliverables; and/or</p> <p>(c) has been or shall be generated for the purpose of providing the Deliverables.</p>
<b>"DOTAS"</b>	The Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions.
<b>"Due Diligence Information"</b>	Any information supplied to the Supplier by or on behalf of the Buyer prior to the Effective Date.
<b>"Effective Date"</b>	The date on which the final Party has signed the Contract.
<b>"EIR"</b>	The Environmental Information Regulations 2004.
<b>"EISS"</b>	The Enhanced International Support Service described in Schedule 2 (Specification) and provided by the Supplier under the terms of this Contract.
<b>"EISS Adviser"</b>	A person employed by the Supplier to provide advisory services to Clients in accordance with Schedule 2 (Specification).
<b>"EISS Delivery Partner"</b>	Any organisation, other than the Supplier, appointed by the Buyer to run the Enhanced International Support Service in designated markets around the world.
<b>"EISS Supplier Customer Relationship Management (CRM) System (EISS Supplier CRM System)"</b>	The EISS Supplier CRM System will support all Overseas Export Support processes allowing the Supplier to establish Client records and then track Client interactions with businesses referred to the EISS.
<b>"EISS Supplier Pipeline Tool"</b>	A system, spreadsheet or other job-aid that allows the Supplier to manage the pipeline for Supported Businesses, from referrals to those in receipt of the free advisory service and then to those referred for delivery support to DIT, our partners or through the Overseas Referral Network. It allows the Supplier to manage their overall portfolio so it

	meets DIT set targets and to manage the workload based on available capacity.
<b>“EISS Supplier Referral Network Tool”</b>	A system, database, spreadsheet or other job aid that will allow the Supplier to access the list and details of the private sector export support and advisory service providers registered with the Overseas Referral Network.
<b>“EISS Referral Form”</b>	A standard proforma for ITA completion when referring Client businesses to the EISS. Contains client profile data, summary of client interactions, ITA Export Account Manager details etc. It will be sent to the relevant Export Service Hubs via email, together with other relevant documentation (for example the Export Action Plan).
<b>“EISS Supplier Workplace IT or Workplace IT”</b>	It is anticipated that the EISS Supplier workplace IT will include a variety of standard desktop applications and digital services, including an email and calendar function and telephony solutions.
<b>“EITA Regional Delivery Partners”</b>	Organisations appointed by the Buyer to operate, manage and deliver EITA (Enhanced International Trade Advisor) service in the five UK regions.
<b>“Emergency Exit”</b>	Any termination of this Contract which is a: <ul style="list-style-type: none"> <li>(a) termination of the whole or part of this Contract in accordance with Clause 10.4 (When the Buyer can end the Contract), except where the period of notice given under that Clause is greater than or equal to 6 months;</li> <li>(b) termination of the provision of the Services for any reason prior to the expiry of any period of notice of termination served pursuant to Clause 10.4 of Mid-Tier Core Terms (When the Buyer can end the Contract); or</li> <li>(c) wrongful termination or repudiation of this Contract by either Party.</li> </ul>
<b>“Employee Liability”</b>	All claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation including in relation to the following: <ul style="list-style-type: none"> <li>(a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;</li> <li>(b) unfair, wrongful or constructive dismissal compensation;</li> <li>(c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;</li> <li>(d) compensation for less favourable treatment of part-time workers or fixed term employees;</li> </ul>

	<p>(e) outstanding debts and unlawful deduction of wages including any PAYE and National Insurance Contributions in relation to payments made by the Buyer or the Replacement Supplier to a Transferring Supplier Employee which would have been payable by the Supplier or the Sub-contractor if such payment should have been made prior to the Service Transfer Date and also including any payments arising in respect of pensions;</p> <p>(f) claims whether in tort, contract or statute or otherwise;</p> <p>any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;</p>
<b>“Employer Pension Contributions”</b>	<p>Means:</p> <p>a) In respect of CSPS Eligible Employees those sums set out at Clauses 7.1.1 (annual administration charges covering core services), 7.1.5 (employer contributions), 7.1.7 (the ASLC) and 7.1.8 (flat charges applicable to the Partnership Pension Account) of the Admission Agreement (as defined in Schedule 7 (Staff Transfer));</p> <p>b) such other employer pension contributions, charges or costs incurred by the Supplier which have been expressly agreed by the Buyer in writing to constitute 'Employer Pension Contributions'.</p>
<b>"Employment Regulations"</b>	The Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the European Council Directive 77/187/EEC.
<b>"End Point"</b>	The time by which a Service that is the subject of a KPI must be completed as set out in Table 1: Key Performance Indicators Table of Schedule 9 (Service Levels).
<b>“Enhanced International Trade Adviser Service (EITA Service)”</b>	The future delivery service for SME businesses that are High Export Potential Businesses in English Regions. The service helps clients develop export-led growth strategies and provides support so they can become ‘export-ready’. If appropriate these firms are then referred to the EISS for regional advice and in-market support.
<b>“Enquiry”</b>	A request for Services from one Client in any one country / State.
<b>"Environmental Policy"</b>	To conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Buyer.

<b>"Estimated Yearly Charges"</b>	<p>1 For the purposes of calculating each Party's annual liability under clause 11.2:</p> <p>i) in the first Contract Year, the Estimated Year 1 Charges; or</p> <p>ii) in any subsequent Contract Years, the Charges paid or payable in the previous Contract Year; or</p> <p>iii) after the end of the Contract, the Charges paid or payable in the last Contract Year during the Contract Period.</p>
<b>"Equality and Human Rights Commission"</b>	<p>The UK independent statutory body named as such as may be renamed or replaced by an equivalent body from time to time with the responsibility to encourage equality and diversity, eliminate unlawful discrimination, and protect and promote the human rights of everyone in Britain. It enforces equality legislation on age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.</p>
<b>"European Standard"</b>	<p>In relation to an electronic invoice means the European standard and any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870.</p>
<b>"Exclusive Assets"</b>	<p>Those Assets used by the Supplier or a Key Sub-Contractor which are used exclusively in the provision of the Services including for the avoidance of doubt the Overseas Referral Network Database;</p>
<b>"Existing IPR"</b>	<p>Any and all IPR that are owned by or licensed to either Party and which are or have been developed independently of the Contract (whether prior to the Effective Date or otherwise).</p>
<b>"Exit Information"</b>	<p>Has the meaning given in Schedule 24 (Exit Management) Paragraph 3.1:</p>
<b>"Exit Manager"</b>	<p>The person appointed by each Party pursuant to Paragraph 2.3 of Schedule 24 (Exit Management) for managing the Parties' respective obligations under Schedule 24 (Exit Management).</p>
<b>"Exit Services"</b>	<p>The Services to be provided under the Exit Plan.</p>
<b>"Exit Plan"</b>	<p>The plan produced and updated by the Supplier during the Contract Period in accordance with Paragraph 4 of Schedule 24 (Exit Management).</p>
<b>"Expiry Date"</b>	<p>The date of the end of the Contract as stated in the Award Form.</p>
<b>"Export Account Manager"</b>	<p>ITAs in England track and manage the relationship with client businesses across one or many Export Journeys. ITAs retain ownership of business relationships even where they are referred to the EISS or other partners for delivery support.</p>
<b>"Export Action Plan"</b>	<p>A document created as part of the EITA Service summarising the export strategy of a business and agreed forward work plan covering services to be delivered in the UK and potentially overseas.</p>

<b>“Export Journey”</b>	A term summarising the experience of a Client business, covering their interactions with DIT and other service providers and the preparatory and practical steps they take from developing a strategy to realising export wins in their chosen markets.
<b>“Export Readiness Job Aid”</b>	A checklist setting out criteria for determining a business is Export Ready. Used by ITAs to assess suitability of different business clients for referral to DIT support overseas.
<b>“Export Ready”</b>	A business that has been deemed as one that is ready to export by the ITA/EITA Adviser, and which may be introduced to overseas business partners (as part of EISS).
<b>“Export Service Hub”</b>	A support centre, established in each of DIT’s HMTC regions, that is the focus for providing support to businesses through the EISS. The Export Service Hub manages enquiries and referrals, provides businesses with market advice, and sources and delivers in-market delivery services.
<b>“Export Service Hub: Additional Volumes”</b>	Means Export Service Hub First Band and Export Service Hub Second Band the volumes for which are set out in the Table 4.1 in Part B of Schedule 3 (Charges and Invoicing).
<b>“Export Service Hub: Core Services”</b>	Refers to all Services listed in Schedule 2 (Specification) up to and including Export Service Hub: Main Band except for Additional Services.
<b>“Export Service Hub: Main Band”</b>	Means the volumes in Table 3.1 in Part B of Schedule 3 (Charges and Invoicing)
<b>“Export Win”</b>	<p>Export Wins capture the deals that DIT supports and quantify their expected export value for an eligible UK company which has resulted from significant support provided by DIT.</p> <p>Significant support is the provision of support (one instance or several) which makes a material and positive difference to an exporter to achieve an export.</p> <p>An UK company that is eligible to be counted in an Export Win must have an active UK trading address and be able to demonstrate that any support they receive from DIT would help them deliver economic benefit to the UK through this trading address.</p>
<b>“Extension Period”</b>	Such period or periods beyond which the Initial Period may be extended up to a maximum of the number of years in total specified in the Award Form.
<b>“FDE Group”</b>	Financial Distress Group which Means the Supplier, Key Sub-contractors including any wholly owned foreign enterprise and representative office registered in China, the Guarantor and the Monitored Suppliers that are being monitored for financial distress events

<b>Fee at Risk</b>	Has the meaning given to it in Paragraph 3.5 of Part B of Schedule 3 (Charges and Invoicing);
<b>“Financial Distress Event”</b>	The occurrence of one or more the events listed in Paragraph 3.1 of Schedule 19 (Financial Distress).
<b>“Financial Distress Remediation Plan”</b>	A plan setting out how the Supplier will ensure the continued performance and delivery of the Services in accordance with this Contract in the event that a Financial Distress Event occurs.
<b>“Financial Indicators”</b>	In respect of the Supplier, Key Sub-contractors and the Guarantor, means each of the financial indicators set out at Paragraph 5.1 of Schedule 19 (Financial Distress); and in respect of each Monitored Supplier, means those Applicable Financial Indicators.
<b>“Financial Model”</b>	The Contract Inception Report, the latest Annual Contract Report or the latest Contract Amendment Report, whichever has been most recently approved by the Buyer in accordance with Paragraph 2 of Part B of Schedule 25 (Financial Reports and Audit Rights).
<b>“Financial Reports”</b>	The Contract Inception Report and the reports listed in the table in Paragraph 1.1 of Part B in Schedule 25 (Financial Reports and Audit Rights).
<b>“Financial Representative”</b>	A reasonably skilled and experienced member of the Supplier’s staff who has specific responsibility for preparing, maintaining, facilitating access to, discussing and explaining the Open Book Data and Financial Reports.
<b>“Financial Target Thresholds”</b>	Means the target thresholds for each of the Financial Indicators set out at Paragraph 5.1 of Schedule 19 (Financial Distress).
<b>“Financial Transparency Objectives”</b>	Has the meaning given in Paragraph 1 of Part A of Schedule 25 (Financial Reports and Audit Rights).
<b>“Firm Price”</b>	Has the meaning given to it in Paragraph 2 of Part A of Schedule 3 (Charges and Invoicing).
<b>“Final Reconciliation Report”</b>	The final reconciliation report to be provided by the Supplier to the Buyer pursuant to Paragraph 1 of Part B of Schedule 25 (Financial Reports and Audit Rights).
<b>“Fixed Price”</b>	Has the meaning given to it in Paragraph 3 of Part A of Schedule 3 (Charges and Invoicing).
<b>"FOIA"</b>	The Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation.
<b>"Force Majeure Event"</b>	Any event, circumstance, matter or cause affecting the performance by either the Buyer or the Supplier of its obligations arising from:

	<ul style="list-style-type: none"> <li>a. acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party which prevent or materially delay the Affected Party from performing its obligations under a Contract;</li> <li>b. riots, civil commotion, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare;</li> <li>c. acts of a Crown Body, local government or regulatory bodies;</li> <li>d. fire, flood or any disaster; or</li> <li>e. an industrial dispute affecting a third party for which a substitute third party is not reasonably available but excluding: <ul style="list-style-type: none"> <li>(i) any industrial dispute relating to the Supplier, the Supplier Staff (including any subsets of them) or any other failure in the Supplier or the Subcontractor's supply chain.</li> <li>(ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; and</li> <li>(iii) any failure of delay caused by a lack of funds.</li> </ul> </li> </ul>
<b>"Force Majeure Notice"</b>	A written notice served by the affected party on the other Party stating that the affected Party believes that there is a Force Majeure Event.
<b>"Former Supplier"</b>	A supplier supplying the Deliverables to the Buyer before the Relevant Transfer Date that are the same as or substantially similar to the Deliverables (or any part of the Deliverables) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor).
<b>"GDPR"</b>	The General Data Protection Regulation (Regulation (EU) 2016/679)
<b>"General Anti-Abuse Rule"</b>	The legislation in Part 5 of the Finance Act 2013 and; and any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid National Insurance contributions.
<b>"General Change in Law"</b>	A Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply.
<b>"Goods"</b>	Any goods made available by the Supplier as specified in Schedule 2 (Specification) and in relation to a Contract as specified in the Award Form.
<b>"Good Industry Practice"</b>	Standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence

	and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector.
<b>"Government"</b>	The government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf.
<b>"Government Data"</b>	The data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, including any of the Buyer's Confidential Information, and which: <p style="margin-left: 40px;">(a) are supplied to the Supplier by or on behalf of the Buyer; or</p> <p style="margin-left: 40px;">(b) the Supplier is required to generate, process, store or transmit pursuant to the Contract.</p>
<b>"Government Procurement Card"</b>	The Government's preferred method of purchasing and payment for low value goods or services <a href="https://www.gov.uk/government/publications/government-procurement-card--2">https://www.gov.uk/government/publications/government-procurement-card--2</a> .
<b>"Great.gov.uk"</b>	DIT's portal and 'front door' to Service Delivery. Great.gov acts as the universal offer to all businesses but will be integrated with the EITA Service by signposting suitable clients to the Enhanced International Trade Adviser Service.
<b>"Guarantee"</b>	A deed of guarantee in favour of a Buyer which sets out that the Supplier should perform all of the obligations as agreed. The form is set out in Annex to Schedule 18 (Guarantee)
<b>"Guarantor"</b>	The person acceptable to the Buyer to give a Guarantee.
<b>"Guarantor"</b>	The person (if any) who has entered into a guarantee in the form set out in Schedule 18 (Guarantee) in relation to this Contract.
<b>"Halifax Abuse Principle"</b>	The principle explained in the CJEU Case C-255/02 Halifax and others.
<b>"Her Majesty's Trade Commissioners (HMTCs)"</b>	The senior UK Government trade representative in each of nine Global HMTC regions (which align to the proposed structure of the EISS). HMTC's work with Post to deliver on regional trade priorities as set out in Regional Trade Plans
<b>"High Export Potential Businesses"</b>	A business contact that has a product or service to export and a minimum turnover of £500k per annum.
<b>"HMRC"</b>	Her Majesty's Revenue and Customs.

<b>"ICT Policy"</b>	The Buyer's policy in respect of information and communications technology, referred to in the Award Form, which is in force as at the Effective Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure.
<b>"Impact Assessment"</b>	An assessment of the impact of a Variation request by the Buyer completed in good faith, including: <ul style="list-style-type: none"> <li>a. details of the impact of the proposed Variation on the Deliverables and the Supplier's ability to meet its other obligations under the Contract.</li> <li>b. details of the cost of implementing the proposed Variation;</li> <li>c. details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;</li> <li>d. a timetable for the implementation, together with any proposals for the testing of the Variation; and</li> <li>e. such other information as the Buyer may reasonably request in (or in response to) the Variation request.</li> </ul>
<b>"Implementation Period"</b>	The four month period from the Effective Date to the Operational Commencement Date, during which the Implementation Plan Deliverables will be Delivered.
<b>"Implementation Plan"</b>	The plan for provision of the Deliverables set out in Schedule 8 (Implementation Plan and Testing) or otherwise as agreed between the Supplier and the Buyer.
<b>"Implementation Services"</b>	The Services to be provided in accordance with the Implementation Plan.
<b>"Incentivisation Payment"</b>	Refers to the payments made if the target measurements set out in Table 2 INCENT1 and INCENT2 or Annex 2 of Schedule 9 (Service Levels) are achieved.
<b>"Incorporated Terms"</b>	The contractual terms applicable to the Contract specified in the Award Form.
<b>"Indemnifier"</b>	A Party from whom an indemnity is sought under this Contract.
<b>"Independent Control"</b>	Where a Controller has provided Personal Data to another Party which is not a Processor or a Joint Controller because the recipient itself determines the purposes and means of Processing but does so separately from the Controller providing it with Personal Data and <b>"Independent Controller"</b> shall be construed accordingly.

<b>"Indexation"</b>	The adjustment of an amount or sum which is expressly said to be subject to Indexation in this Contract in accordance with Paragraph 5 of Part C of Schedule 3 (Charges and Invoicing).
<b>"Information"</b>	Has the meaning given under section 84 of the Freedom of Information Act 2000.
<b>"Information Commissioner"</b>	The UK's independent authority which deals with ensuring information relating to rights in the public interest and data privacy for individuals is met, whilst promoting openness by public bodies.
<b>"Information Management System"</b>	The Information Security Management System and the Wider Information Management System.
<b>"Information Security Management System"</b>	Those information assets, systems and/or Sites which will be used by the Supplier and/or its Sub-contractors to Process Buyer Data, together with the associated information management system (including organisational structure, controls, policies, practices, procedures, processes and resources), which the Buyer has determined in accordance with Paragraph 4.2 in Schedule 13 (Security) shall be subject to Accreditation.
<b>"Internationalisation Fund"</b>	A European Structural & Investment Fund (ESIF) supported fund to help businesses pay for external export support sourced as part of the EISS. Funds are awarded on a co-investment basis and can be accessed from the UK via the EITA Service.
<b>"Initial Period"</b>	The initial term of the Contract from the Effective Date to the Expiry Date.
<b>"In-Market Service"</b>	Delivery of support to SME Client Businesses within a specific country or regional market that makes up a whole or part of an HMTTC Region. This will typically be chargeable support with services sourced through providers on the Overseas Referral Network and potentially via our EISS Delivery Partner.
<b>"Insolvency Event"</b>	In respect of a person: <ul style="list-style-type: none"> <li>a. a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors; or</li> <li>b. a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or</li> <li>c. a petition is presented for its winding up (which is not dismissed within fourteen (14) Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is</li> </ul>

	<p>convened pursuant to section 98 of the Insolvency Act 1986; or</p> <p>d. a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or</p> <p>e. an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or</p> <p>f. it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or</p> <p>g. being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or</p> <p>h. where the person is an individual or partnership, any event analogous to those listed in limbs (a) to (g) (inclusive) occurs in relation to that individual or partnership; or</p> <p>i. any event analogous to those listed in limbs (a) to (h) (inclusive) occurs under the law of any other jurisdiction.</p>
<b>"Installation Works"</b>	All works which the Supplier is to carry out at the beginning of the Contract Period to install the Goods in accordance with the Contract.
<b>"Intellectual Property Rights" or "IPR"</b>	<p>a. Copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information;</p> <p>b. applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and</p> <p>c. all other rights having equivalent or similar effect in any country or jurisdiction</p>
<b>"IPR Claim"</b>	Any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Buyer in the fulfilment of its obligations under the Contract.
<b>"IR35"</b>	The off-payroll rules requiring individuals who work through their company pay the same tax and National Insurance contributions as an

	employee which can be found online at: <a href="https://www.gov.uk/guidance/ir35-find-out-if-it-applies">https://www.gov.uk/guidance/ir35-find-out-if-it-applies</a> .
<b>“ITA or International Trade Adviser”</b>	A UK based adviser working with UK clients as part of the ITA or EITA Service which helps Clients develop export-led growth strategies and provides support so they can become ‘export-ready’. If appropriate these firms are then referred to the EISS for regional advice and in-market support. This service is being phased out to be replaced by the EITA Service which is more tightly focused on ‘high export potential’ UK companies.
<b>“ITA Client Account”</b>	A business record on the Data Hub system that is established for each business that is in receipt of the ITA Service and then replicated on the EISS Customer Relationship Management System where ITA businesses are referred overseas to Export Service Hubs for regional and in-market support.
<b>“ITA Regional Delivery Partner”</b>	Any organisation appointed by the Buyer to run the International Trade Advisor service in the UK regions in place at the Effective Date.
<b>“IT Environment”</b>	Means the combined Buyer System and the Supplier System.
<b>“IT Health Check”</b>	A CHECK IT Health Check of the Information Security Management System by a NCSC approved member of the CHECK Scheme or equivalent international approved body as set out in Paragraph 8.1.1 of Schedule 13 (Security).
<b>“Joint Controller Agreement”</b>	The agreement (if any) entered into between the Buyer and the Supplier substantially in the form set out in Annex 2 of Schedule 15 (Processing Data).
<b>“Joint Controllers”</b>	Where two or more Controllers jointly determine the purposes and means of Processing.
<b>“Key Performance Indicator” or “KPI”</b>	The key performance indicators set out in Annex 1 of Schedule 9 (Service Levels) which are used to measure the Supplier’s performance of certain key Deliverables.
<b>“Key Personnel”</b>	The individuals (if any) identified as such in the Award Form.
<b>“Key Sub-Contract”</b>	Each Sub-Contract with a Key Subcontractor.
<b>“Key Subcontractor”</b>	Any Subcontractor: <ul style="list-style-type: none"> <li>(a) which is relied upon to deliver any work package within the Deliverables in their entirety; and/or</li> <li>(b) which, in the opinion of the Buyer performs (or would perform if appointed) a critical role in the provision of all or any part of the Deliverables; and/or</li> <li>(c) with a Sub-Contract with the Contract value which at the time of appointment exceeds (or would exceed if</li> </ul>

	<p>appointed) 10% of the aggregate Charges forecast to be payable under the Contract,</p> <p>and the Supplier shall list all such Key Subcontractors in section 29 of the Award Form.</p>
<b>"Know-How"</b>	All ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the applicable Effective Date.
<b>"KPI Failure"</b>	A failure to meet the Target Performance Level in respect of a Key Performance Indicator.
<b>"Law"</b>	Any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements with which the Supplier is bound to comply.
<b>"LED"</b>	Law Enforcement Directive (Directive (EU) 2016/680)
<b>"Local Working Day"</b>	Any day other than locally accepted week-end days or public holiday in the relevant Region
<b>"Local Working Hours"</b>	Business hours during the Local Working Day not exceeding 8 hours per day and no more than 48 hours per working week.
<b>"Losses"</b>	All losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and "Loss" shall be interpreted accordingly.
<b>"Malicious Software"</b>	Any software program or code intended to destroy, interfere with corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence.
<b>"Management Team"</b>	Supplier Staff whose duties include managing the Key Sub Contractors, delivery team members, and overall accountability to the Buyer in respect of the Deliverables.
<b>"Management Information"</b>	The management information specified in Schedule 2 (Specification), Schedule 9 (Service Levels), Schedule 3 (Charges and Invoicing) and Schedule 11 (Contract Management).
<b>"Market Advice"</b>	Free market diagnostic, gives access to Supplier maintained Market Intelligence and / or helps the Client with business-to-business introductions.

<b>"Market Intelligence"</b>	Off-the-shelf materials (market and sector facts, regulatory requirements, insights, facts and statistics etc.) maintained and collated by the EISS Supplier to help Clients identify the most appropriate export markets / address market specific export barriers.
<b>"Marketing Contact"</b>	Shall be the person identified in the Award Form.
<b>"Mark Up"</b>	The difference between the cost to the Supplier to provide goods or services (net of any discounts and rebates) and the additional amount added by the Supplier in the price charged to the Buyer for the goods or services.
<b>"Material KPI Failure"</b>	Means: <ul style="list-style-type: none"> <li>(a) a Serious KPI Failure.</li> <li>(b) a Severe KPI Failure.</li> <li>(c) a failure by the Supplier to meet a KPI Service Threshold;</li> <li>and</li> <li>(d) a Repeat KPI Failure that accrues 5 or more Service Points.</li> </ul>
<b>"Material Variation"</b>	A Variation which: <ul style="list-style-type: none"> <li>(a) materially changes the profile of the Charges; or</li> <li>(b) varies the total Charges payable during the Contract Period (as forecast in the latest Financial Model) by:  <ul style="list-style-type: none"> <li>■ [REDACTED]</li> <li>■ [REDACTED]</li> </ul> </li> </ul>
<b>"Maximum Permitted Profit Margin"</b>	The Anticipated Contract Life Profit Margin [REDACTED]
<b>"Measurement Period"</b>	In relation to a Key Performance Indicator, the period over which the Supplier's performance is measured (for example a Service Period if measured monthly or a 12-month period if measured annually).
<b>"Minor KPI Failure"</b>	The failure to meet the target performance threshold in the column labelled "Minor KPI Failure" for the relevant Key Performance Indicator as detailed in Annex 1 of Schedule 9 (Service Levels).
<b>"Modern Slavery Helpline"</b>	The mechanism for reporting suspicion, seeking help or advice and information on the subject of modern slavery available online at <a href="https://www.modernslaveryhelpline.org/report">https://www.modernslaveryhelpline.org/report</a>
<b>"Month"</b>	A calendar month (meaning from a specific date in one month to the day before the same date in the next month) and " <b>Monthly</b> " shall be interpreted accordingly.
<b>"National Insurance"</b>	Contributions required by the National Insurance Contributions Regulations 2012 (SI 2012/1868) made under section 132A of the Social Security Administration Act 1992.

<b>“Monitored Suppliers”</b>	Those entities specified at Paragraph 5.2 of Schedule 19 (Financial Distress).
<b>“Maximum Redundancy Costs”</b>	Employee Liabilities payable by the Buyer in the event that staff hired by the Supplier exclusively for the purpose of delivering this Contract are made redundant during or on termination of this Contract.
<b>“Net Book Value”</b>	The net book value of the relevant Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the agreed form from the Supplier to the Buyer of the same date as this Contract.
<b>“New IPR”</b>	Means: (a) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of the Contract and updates and amendments of these items including (but not limited to) database schema; and/or (b) IPR in or arising as a result of the performance of the Supplier’s obligations under the Contract and all updates and amendments to the same. but shall not include the Supplier’s Existing IPR.
<b>“Non-Exclusive Assets”</b>	Those Assets (if any) which are used by the Supplier or a Key Sub-Contractor in connection with the Services but which are also used by the Supplier or Key Sub-Contractor for other purposes of material value.
<b>“North America”</b>	For the purposes of this contract, North America shall mean the United States of America and Canada.
<b>“Occasion of Tax Non – Compliance”</b>	Where: (a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which is found on or after 1 April 2013 to be incorrect as a result of: (i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; (ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime in any jurisdiction; and/or (b) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April

	2013, to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Start Date or to a civil penalty for fraud or evasion.
<b>"Open Book Data"</b>	<p>Complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Contract Period, including details and all assumptions relating to:</p> <ul style="list-style-type: none"> <li>(a) the Supplier's Costs broken down against each Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;</li> <li>(b) operating expenditure relating to the provision of the Services including an analysis showing: <ul style="list-style-type: none"> <li>(i) the unit costs and quantity of consumables and bought-in services;</li> <li>(ii) manpower resources broken down into the number and grade/role of all Supplier Staff (free of any contingency) together with a list of agreed rates against each manpower grade;</li> <li>(iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier's Profit Margin; and</li> <li>(iv) Reimbursable Expenses;</li> </ul> </li> <li>(c) Overheads;</li> <li>(d) all interest, expenses and any other third-party financing costs incurred in relation to the provision of the Services;</li> <li>(e) the Supplier Profit achieved over the Contract Period and on an annual basis;</li> <li>(f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;</li> <li>(g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed to each risk and/or contingency; and</li> <li>(h) the actual Costs profile for each Service Period.</li> </ul>
<b>"Open Book Contract Management"</b>	A structured process for the management and sharing of all costs, charges, & expenses as well as operational & performance data between the Buyer and the Supplier. The aim is to promote collaborative contract performance management and financial transparency

<b>“Operational Commencement Date”</b>	The later of: (a) the date when Deliverable 1, Deliverable 2 (with the exception of item 3) and Deliverable 3 (each as set out in the Implementation Plan) are all Approved and a Satisfaction Certificate for each Deliverable issued; and (b) the Start Date.
<b>“Ordinary Exit”</b>	Any termination of the whole or part of this Contract which occurs: (a) pursuant to Clause 10.3 (Ending the Contract without a Reason); (b) pursuant to Clause 10.4 (When the Buyer can end the Contract) where the period of notice given by the Party serving notice to terminate pursuant to such Clause is greater than or equal to 6 months; or (c) as a result of the expiry of the Contract Period;
<b>“Overhead”</b>	Those amounts which are intended to recover a proportion of the Supplier’s or the Key Sub-contractor’s (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Staff and accordingly included within limb (a) of the definition of “Costs” or the day cost set out in Table 3 of Annex 1 of Schedule 3 (Charges and Invoicing);
<b>“Overseas Referral Network”</b>	A list of commercial providers that is setup and managed by the Supplier in each global region. Businesses and organisations offering services through the network are subject to preliminary due diligence by the Supplier and are selected on the basis that they are able to support delivery of services in the Service Catalogue.
<b>Overseas Referral Network Agreement</b>	An agreement between the Supplier and the Overseas Referral Network Provider setting out the terms of membership in the Overseas Referral Network.
<b>“Overseas Referral Network Database”</b>	a database containing information about the Overseas Referral Network including but not limited to the names and contact detail for each member of the Overseas Referral Network.
<b>“Overseas Referral Network Provider”</b>	An overseas firm able to provide specialist advisory and export support and which provider has been added to the Overseas Referral Network by the Supplier.
<b>"Parliament"</b>	Takes its natural meaning as interpreted within by Law.
<b>“Partial Termination”</b>	The partial termination of the relevant Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 10.4 (When the Buyer can end this contract) or 10.6 (When the Supplier can end the contract).

<b>"Party"</b>	The Buyer or the Supplier and <b>"Parties"</b> shall mean both of them where the context permits.
<b>"Performance Monitoring Report"</b>	A report to the Buyer Representation which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described Part B of Schedule 9 (Service Levels).
<b>"Performance Review Meeting"</b>	The regular meetings between the Supplier and the Buyer to manage and review the Supplier's performance under this Agreement, as further described in Paragraph 1.5 of Part B of Schedule 9 (Service Levels).
<b>"Personal Data"</b>	Has the meaning given to it in the GDPR.
<b>"Personal Data Breach"</b>	Has the meaning given to it in the GDPR.
<b>Personal Data Processing Statement</b>	Sets out: (i) the types of Personal Data which the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer. (ii) the categories of Data Subjects whose Personal Data the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer. the nature and purpose of such Processing. (iii) the locations at which the Supplier and/or its Subcontractors Process Buyer Data; and, (iv) the Protective Measures that the Supplier and, where applicable, its Subcontractors have implemented to protect the Buyer Data against a Security Breach including a Personal Data Breach, which shall be prepared by the Supplier in accordance with Paragraph 6.4 of Schedule 13 (Security) and included in the Risk Management Documentation.
<b>"Prescribed Person"</b>	A legal adviser, an MP or an appropriate body which a whistle-blower may make a disclosure to as detailed in 'Whistleblowing: list of prescribed people and bodies', 24 November 2016, available online at: <a href="https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies">https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies</a> .
<b>"Post"</b>	DIT's overseas teams in Embassies, High Commissions and Consulates across the globe, who will oversee operation of the EISS in their respective global regions in addition to their other roles: supporting implementation of regional trade strategies and campaigns and advocacy of British business interests to ensure market access and address non-tariff trade barriers.
<b>"Pricing Model Template"</b>	Means the completed pricing model template submitted by the Supplier as part of their Tender Response.
<b>"Process Buyer Data"</b>	Any operation which is performed on Buyer Data, whether or not by automated means, including adapting, altering, collecting, combining, copying, destroying, erasing, organising, publishing retrieving, storing, structuring, transmitting or otherwise using Buyer Data.
<b>"Processor"</b>	Has the meaning given to it in the GDPR.

<b>“Protective Measures”</b>	<p>Technical and organisational measures which must take account of:</p> <ul style="list-style-type: none"> <li>a) the nature of the data to be protected;</li> <li>b) harm that might result from Data Loss Event;</li> <li>c) state of technological development;</li> <li>d) the cost of implementing any measures</li> </ul> <p>including but not limited to pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it.</p>
<b>“Progress Meeting”</b>	<p>A meeting between the Buyer Authorised Representative and the Supplier Authorised Representative.</p>
<b>“Progress Meeting Frequency”</b>	<p>The frequency at which the Supplier shall conduct a Progress Meeting in accordance with Clause 6.1 as specified in the Award Form.</p>
<b>“Progress Report”</b>	<p>A report provided by the Supplier indicating the steps taken to achieve Deliverables or delivery dates.</p>
<b>“Progress Report Frequency”</b>	<p>The frequency at which the Supplier shall deliver Progress Reports in accordance with Clause 6.1 as specified in the Award Form.</p>
<b>“Prohibited Acts”</b>	<p>To directly or indirectly offer, promise or give any person working for or engaged by the Buyer or any other public body a financial or other advantage to:</p> <ul style="list-style-type: none"> <li>(a) induce that person to perform improperly a relevant function or activity; or</li> <li>(b) reward that person for improper performance of a relevant function or activity.</li> <li>(c) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the Contract; or</li> <li>(d) committing any offence: <ul style="list-style-type: none"> <li>(i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or</li> <li>(ii) under legislation or common law concerning fraudulent acts; or</li> <li>(iii) defrauding, attempting to defraud or conspiring to defraud the Buyer or other public body; or</li> <li>(iv) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK.</li> </ul> </li> </ul>

<b>"Quality Plan"</b>	Has the meaning given to it in Paragraph 9 of Schedule 8 (Implementation Plan and Testing).
<b>"Rate Card"</b>	Means the rate card submitted as part of the Supplier's Tender and included in annex 1 of Schedule 3 (Charges and Invoicing).
<b>"Rating Agencies"</b>	The rating agencies listed in Annex 1 of Schedule 19 (Financial Distress).
<b>"Recall"</b>	A request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or defects (including defects in the IPR rights) that might endanger health or hinder performance.
<b>"Recipient Party"</b>	The Party which receives or obtains directly or indirectly Confidential Information.
<b>"Rectification Plan"</b>	The Supplier's plan (or revised plan) to rectify its breach using the template in Schedule 20 (Rectification Plan Template) which shall include: <ul style="list-style-type: none"> <li>(a) full details of the Default that has occurred, including a root cause analysis;</li> <li>(b) the actual or anticipated effect of the Default; and</li> <li>(c) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable).</li> </ul>
<b>"Rectification Plan Process"</b>	The process set out in Clause 10.4.2 to 10.4.4 of Mid-Tier Core Terms (Rectification Plan Process).
<b>"Registers"</b>	Has the meaning given to it in Schedule 24 (Exit Management).
<b>"Regulations"</b>	The Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires).
<b>"Reimbursable Expenses"</b>	The reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including: <ul style="list-style-type: none"> <li>(a) travel expenses incurred as a result of Supplier Staff travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and</li> <li>(b) subsistence expenses incurred by Supplier Staff whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed.</li> </ul>

<b>"Relevant Requirements"</b>	All applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State pursuant to section 9 of the Bribery Act 2010.
<b>"Relevant Tax Authority"</b>	HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established.
<b>"Reminder Notice"</b>	A notice sent in accordance with Clause 10.6 given by the Supplier to the Buyer providing notification that payment has not been received on time.
<b>"Related Supplier"</b>	Any person who provides deliverables to the Buyer which are related to the Deliverables from time to time.
<b>"Relevant Transfer"</b>	A transfer of employment to which the Employment Regulations applies.
<b>"Relevant Transfer Date"</b>	In relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place, and for the purposes of Part D: Pensions, shall include the Start Date, where appropriate.
<b>"Replacement Deliverables"</b>	Any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables, whether those goods are provided by the Buyer internally and/or by any third party.
<b>"Repeat KPI Failure"</b>	Has the meaning given to it in Paragraph 3.1 of Schedule 9 (Service Levels))
<b>"Replacement Subcontractor"</b>	A Subcontractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any Subcontractor of any such Subcontractor).
<b>"Replacement Supplier"</b>	Any third party provider of Replacement Deliverables appointed by or at the direction of the Buyer from time to time or where the Buyer is providing Replacement Deliverables for its own account, shall also include the Buyer.
<b>"Request For Information"</b>	A request for information or an apparent request relating to the Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs.
<b>"Required Changes Register"</b>	Is a register which forms part of the Risk Management Documentation which records each of the changes that the Supplier has agreed with the Buyer shall be made to the Information Security Management System and/or the Risk Management Documentation as a consequence of the occurrence of any of the events set out in Paragraph 6.13.1 to 7.13.8 of Schedule 13 (Security) together with the date on which each such change shall be implemented and the date on which each such change was implemented.
<b>"Required Insurances"</b>	The insurances required by Schedule 17 (Insurance Requirements).

<b>"Review Report"</b>	The report setting out the Supplier's proposals for addressing any changes in the risk profile and its proposals for amendments to the BCDR plan delivered in accordance with Paragraph 6.3 of Schedule 12 (Business Continuity and Disaster Recovery).
<b>"Risk Management Approval Statement"</b>	A notice issued by the Buyer which sets out the information risks associated with using the Information Security Management System and confirms that the Buyer is satisfied that the identified risks have been adequately and appropriately addressed and that the residual risks are understood and accepted by the Buyer.
<b>"Risk Management Documentation"</b>	The risk management documentation submitted to the Buyer in accordance with Paragraph 6.3 of Schedule 13 (Security) provided in accordance with the template in Annex 3 of Schedule 13 (Security).
<b>"Risk Management Reject Notice"</b>	A rejection notice stating that the Buyer considers that the residual risks to the Information Security Management System have not been reduced to a level acceptable by the Buyer and the reasons why, as set out in Paragraph 6.7.2 of Schedule 13 (Security).
<b>"Risk Register"</b>	The register of risks and contingencies that have been factored into any Costs due under this Contract.
<b>"Satisfaction Certificate"</b>	The certificate in Schedule 8 (Implementation Plan and Testing) Annex 2 issued by the Buyer indicating that it Approves the Deliverable that is part of the Implementation Plan.
<b>"Sectors"</b>	DIT's sector teams based in the UK that provide specific support to UK industry sectors for example by supporting sector specific trade missions and campaigns.
<b>"Security Management Plan"</b>	The Supplier's security management plan prepared pursuant to Schedule 13 (Security) (if applicable).
<b>"Security Policy"</b>	The Buyer's security policy, referred to in the Award Form, in force as at the Start Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier.
<b>"Security Test"</b>	Has the meaning given to it in Paragraph 8.1 of Schedule 13 (Security).
<b>"Serious Fraud Office"</b>	The UK Government body named as such as may be renamed or replaced by an equivalent body from time to time that investigates and prosecutes serious or complex fraud, bribery and corruption.
<b>"Serious KPI Failure"</b>	The failure to meet the target performance threshold in the column labelled "Serious KPI Failure" for the relevant Key Performance Indicator as detailed in Annex 1 of Schedule 9 (Service Levels).
<b>"Service Catalogue"</b>	A description of the standard service offer that is shared between the EITA Service and EISS. The Service Catalogue is owned and maintained by the Service Transformation Unit in the DIT Retained Function. It breaks services down into service lines and service



	(c) those premises at which any Supplier Equipment or any part of the Supplier System is located (where ICT Services are being provided)
<b>"SME"</b>	For the purpose of the Supply Chain Visibility schedule (14), this is an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium enterprises.
<b>"SME Client"</b>	A Supported Business that is an SME.
<b>SME Information Management Reports</b>	See Schedule 14 (Supply Chain Visibility).
<b>"Special Terms"</b>	Any additional Clauses set out in the Award Form which shall form part of the respective Contract.
<b>"Specific Change in Law"</b>	A Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date.
<b>"Specification"</b>	The specification set out in Schedule 2 (Specification), as may, in relation to the Contract, be supplemented by the Award Form.
<b>"Staffing Information"</b>	<p>In relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Buyer may reasonably request (subject to all applicable provisions of the Data Protection Laws), but including in an anonymised format:</p> <ul style="list-style-type: none"> <li>a) their ages, dates of commencement of employment or engagement, gender and place of work;</li> <li>b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;</li> <li>c) the identity of the employer or relevant contracting Party;</li> <li>d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;</li> <li>e) their wages, salaries, bonuses and profit sharing arrangements as applicable;</li> <li>f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;</li> </ul>

	<p>g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims).</p> <p>h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long-term absence.</p> <p>i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and</p> <p>j) any other "employee liability information" as such term is defined in regulation 11 of the Employment Regulations.</p>
<b>"Standards"</b>	<p>Any:</p> <p>(a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with;</p> <p>(b) standards detailed in the specification in Schedule 2 (Specification);</p> <p>(c) standards detailed by the Buyer in the Award Form or agreed between the Parties from time to time;</p> <p>(d) relevant Government codes of practice and guidance applicable from time to time.</p>
<b>"Start Date"</b>	The date specified on the Award Form.
<b>"Start Point"</b>	The time by which a Service which is the subject of the relevant KPI must be started as set out in Table 1: Key Performance Indicators Table of Schedule 9 (Service Levels).
<b>"Storage Media"</b>	The part of any device that is capable of storing and retrieving data.
<b>"Statement of Information Risk Appetite"</b>	Has the meaning given in Paragraph 5 of Schedule 13 (Security).

<b>"Sub-Contract"</b>	Any contract or agreement (or proposed contract or agreement), other than an Overseas Referral Network Agreement, pursuant to which a third party:  (a) provides the Deliverables (or any part of them).  (b) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or  (c) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them).
<b>"Subcontractor"</b>	Any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person.
<b>"Subprocessor"</b>	Any third Party appointed to process Personal Data on behalf of the Supplier related to the Contract.
<b>"Super Region"</b>	DIT English Regions can be broken down into five 'super regions' these being: Northern Powerhouse, Midlands Engine, South and East, South and London.
<b>"Supplier"</b>	The person, firm or company identified in the Award Form.
<b>"Supplier Assets"</b>	All assets and rights used by the Supplier to provide the Deliverables in accordance with the Contract but excluding the Buyer Assets.
<b>"Supplier Authorised Representative"</b>	The representative appointed by the Supplier named in the Award Form, or later defined in a Contract.
<b>"Supplier Board"</b>	Means the Supplier's board of directors.
<b>"Supplier Board Confirmation"</b>	Means written confirmation from the Supplier Board in accordance with Paragraph 8 of Schedule 19 (Financial Distress)
<b>"Supplier Code of Conduct"</b>	The HM Government Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government.  <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf</a>
<b>"Supplier's Confidential Information"</b>	Means:  (a) Any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier.  (b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with the Contract.  (c) Information derived from any of (a) and (b) above.

<b>"Supplier's Contract Manager"</b>	The person identified in the Award Form appointed by the Supplier to oversee the operation of the Contract and any alternative person whom the Supplier intends to appoint to the role, provided that the Supplier informs the Buyer prior to the appointment.
<b>"Supplier Equipment"</b>	The Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under this Contract.
<b>"Supplier's Final Supplier Personnel List"</b>	A list provided by the Supplier of all Supplier Personnel whose will transfer under the Employment Regulations on the Service Transfer Date.
<b>"Supplier Non-Performance"</b>	Where the Supplier has failed to: <ul style="list-style-type: none"> <li>(a) Obtain a Satisfaction Certificate for a Deliverable by its Deliverable Date;</li> <li>(b) provide the Goods and/or Services in accordance with the Service Levels ; and/or</li> <li>(c) comply with an obligation under the Contract.</li> </ul>
<b>"Supplier Profit"</b>	In relation to a period, the difference between the total Charges (in nominal cash flow terms but excluding any Deductions and total Costs (in nominal cash flow terms) in respect of the Contract for the relevant period.
<b>"Supplier Profit Margin"</b>	In relation to a period or a Deliverable (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Deliverable divided by the total Charges over the same period or in relation to the relevant Deliverable and expressed as a percentage.
<b>"Supplier's Provisional Supplier Personnel List"</b>	A list prepared and updated by the Supplier of all Supplier Personnel who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier.
<b>"Supplier Software"</b>	Software which is proprietary to the Supplier (or an Affiliate of the Supplier) and which is or will be used by the Supplier for the purpose of providing the Services.
<b>"Supplier Solution"</b>	The Supplier's solution for the Services set out in Schedule 4 (Tender).
<b>"Supplier Staff"</b>	All directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor engaged in the performance of the Supplier's obligations under the Contract.
<b>"Supply Chain Information Report Template"</b>	The document at Annex 1 of Schedule 14 (Supply Chain Visibility).

<b>"Supplier System"</b>	The information and communications technology system used by the Supplier in implementing and performing the Services including the Supplier Software, the Supplier Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Buyer System);
<b>"Supported Business"</b>	A supported business is one which has been referred to the EISS service and following the Manage & Enquiries and Referrals stage goes on to receive Market Advice or be referred on to receive in-market services.
<b>"Supporting Documentation"</b>	Sufficient information in writing to enable the Buyer to reasonably assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer under the Contract detailed in buying standard information are properly payable.
<b>"Target Performance Level"</b>	The minimum level of performance for a Key Performance Indicator which is required by the Buyer, as set out against the relevant Key Performance Indicator in the tables in Annex 1 of Schedule 9 (Service Levels).
<b>"Tender Response"</b>	The tender submitted by the Supplier to the Buyer and annexed to or referred to in Schedule 4 (Tender).
<b>"Termination Assistance Notice"</b>	The notice given by the buyer at least 4 months prior to the date of termination or expiry of this contract or as soon as reasonably practicable following the service by either Party of a Termination Notice.
<b>"Termination Assistance Period"</b>	The period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Services as such period may be extended in accordance with Paragraph 5.2 of Schedule 24 (Exit Management).
<b>"Termination Notice"</b>	A written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate the Contract on a specified date and setting out the grounds for termination.
<b>"Termination Payment"</b>	Means the payment resulting from the early termination of the contract by either party paid in accordance with the terms of this Contract.
<b>"Termination Services"</b>	The services and activities to be performed by the Supplier pursuant to the Exit Plan.
<b>"Third Party IPR"</b>	Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables.
<b>"Transferable Assets"</b>	Those of the Exclusive Assets which are capable of legal transfer to the Buyer.
<b>"Transferable Contracts"</b>	The Sub-Contracts, licences for Supplier's Software, licences for IPR, Overseas Referral Network Agreement or other agreements which are necessary to enable the Buyer or any Replacement Supplier to perform

	the Services or the Replacement Deliverables, including in relation to licences all relevant Documentation.
<b>"Transferring Buyer Employees"</b>	Those employees of the Buyer to whom the Employment Regulations will apply on the Relevant Transfer Date and whose names are provided to the Supplier on or prior to the Relevant Transfer Date.
<b>"Transferring Contracts"</b>	Those contracts undertaken by the Supplier, if any, which the Buyer requires to be novated to itself or a replacement supplier at the exit of the contract.
<b>"Transferring Former Supplier Employees"</b>	In relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date and whose names are provided to the Supplier on or prior to the Relevant Transfer Date.
<b>"Transferring Supplier Employee"</b>	Those employees of the Supplier and/or the Supplier's Sub-contractors to whom the Employment Regulations will apply on the Relevant Transfer Date.
<b>"Transparency Information"</b>	The Transparency Reports and the content of the Contract, including any changes to this Contract agreed from time to time, except for – <ul style="list-style-type: none"> <li>(i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Buyer; and</li> <li>(ii) Commercially Sensitive Information.</li> </ul>
<b>"Triage"</b>	The process of identifying that a potential lead meets the target high export potential profile and is receptive to receiving support from DIT. This is usually undertaken by ITAs in England but may need to be undertaken by EISS Advisers for referrals from other sources.
<b>"Transparency Reports"</b>	The information relating to the Deliverables and performance pursuant to the Contract which the Supplier is required to provide to the Buyer in accordance with the reporting requirements in Schedule 6 (Reports and Record Provisions).
<b>"UK Export Finance (UKEF)"</b>	DIT's UK Export Finance function which through a national network of Export Finance Managers helps businesses secure funding and insurances to support their exporting strategies.
<b>"Variation"</b>	A change to the contract, initially proposed by either party, which will need to follow the Variation Procedure.
<b>"Variation Form"</b>	This form is used in order to change a contract.
<b>"Variation Procedure"</b>	The procedure to vary or change a contract, set out in Clause 24 of the Core Terms.
<b>"VAT"</b>	Value added tax in accordance with the provisions of the Value Added Tax Act 1994.

<b>"VCSE"</b>	A non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives.
<b>"Volume Bands"</b>	Means the three thresholds for the number of enquiries that the export service hub will receive for the purposes of pricing the delivery of the service by the Supplier.
<b>"Vulnerability Correction Plan"</b>	Has the meaning given in Paragraph 8.3.3 of Schedule 13 (Security ).
<b>"Wider Information Management System"</b>	Those information assets, ICT systems and/or Sites which will be used by the Supplier and/or its Sub-contractors to Process Buyer Data which have not been determined by the Buyer to form part of the Information Security 'Protective Management System together with the associated information management system (including organisational structure, controls, policies, practices, procedures, processes and resources.
<b>"Worker"</b>	Any one of the Supplier Staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) ( <a href="https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees">https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees</a> ) applies in respect of the Deliverables.
<b>"Working Day"</b>	Any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Award Form.
<b>"Work Day"</b>	8 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day.
<b>"Work Hours"</b>	The hours spent by the Supplier Staff properly working on the provision of the Deliverables including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks.

## **Schedule 2 (Service Description)**

## SERVICES DESCRIPTION

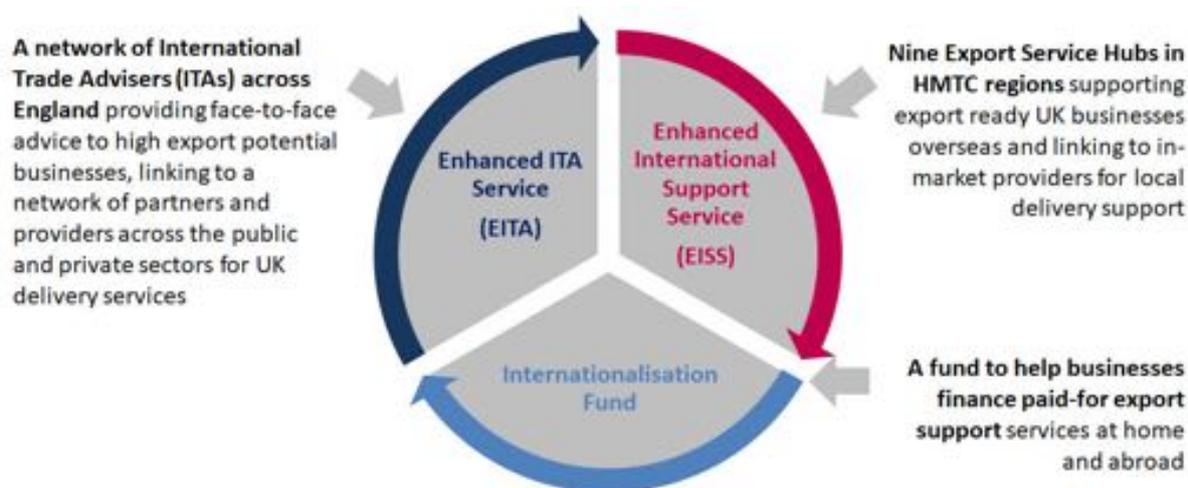
### 1 DEFINITIONS

1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

### 2 INTRODUCTION

### 3 Context

The Enhanced International Support Service (EISS) is one of three projects being implemented by the Department for International Trade (DIT) to improve the impact and value of UK Government support to exporting companies. The diagram at Figure 1 shows how the EISS complements work currently underway to enhance the support DIT provides domestically, and to set up an Internationalisation Fund for SME businesses contracting commercially available export support both at home and overseas.



**Figure 1 – DIT Export Support Programme**

Figure 2 provides a summary overview of these three inter-related initiatives:



**Figure 2 – DIT Export Support Project Headlines**

#### 4 'Big Picture' Objectives & Benefits

The intent is to align the services UK Government provides with our Export Strategy, which sets the goal of increasing the value of UK exports as a proportion of GDP from 30% to 35%. To do this we plan to adopt a segmented approach to business support, which focuses comparatively expensive personalised service on businesses with higher export potential. DIT research has shown that such businesses, typically with turnovers of at least £500k per annum, make a far greater contribution to export value growth than smaller 'micro' businesses. However, in moving to a new export support model we are seeking to realise a wide range of ancillary benefits, including:

- **Focusing Government support on what we do best** – which according to DIT research is acting as impartial 'trusted advisors', helping businesses establish effective export strategies and plans and then linking them to sources of support in the UK and overseas.
- **Targeting our services to help businesses overcome market failures and export barriers** – based on a service offer that is informed by our analysis of business segments and their needs at each stage of the export journey.
- **Improving the quality of service** – delivered through a personalised, bespoke service, tailored to the individual needs of each Client;
- **Improving the consistency of service** – by moving to a standardised delivery model across global regions and adopting a shared service catalogue

domestically and overseas (whilst allowing some flexibility to reflect differing regional needs).

- **Improving the client business experience** – by designing services that ‘fit together’ and by implementing an ‘export account management’ model that positions our ITAs to oversee a client’s export journey whether support is provided in the UK or overseas.
- **Establishing a more integrated delivery model** – helping achieve our ‘One-DIT’ vision by embedding personalised services in the wider DIT offer delivered through our digital services, sector teams, Post and UKEF; and
- **Cultivating local supplier relationships** – by establishing referral networks in each HMTC region to link businesses to in-market providers of export support services.

## 5 EISS Key Changes

The EISS replaces the Overseas Business Network (OBN) on expiry of current arrangements. In 2018-19 the OBN delivered a projected £1.1bn of export wins. The OBN currently provides services in 20 countries via 19 delivery partners.

Although the OBN has a strong track record in providing personalised support to exporters overseas, the ‘enhanced’ service incorporates changes that address opportunities for improvement and deliver better value. A summary of what is different is shown in the diagram at Figure 3.



Figure 3 – EISS Enhancements

## 6 EISS Delivery Model

The EISS will establish a network of Export Service Hubs, located in each of the 9 global HM Trade Commissioner (HMT) regions, covering: Africa, Asia Pacific, China, Europe, Eastern Europe & Central Asia Network (EECAN), Middle East, Latin America & Caribbean (LATAC), North America, and South Asia.

An overview of the EISS Delivery model is shown in the diagram at Figure 4. In the future model:

1. **SME services are focused on high export potential businesses** – because DIT and Kantar Consulting analysis shows that targeting firms with a minimum turnover of £500k or above is likely to deliver substantially greater growth in exports by value than a focus on the long tail of lower potential micro businesses.
2. **Delivery of service overseas is coordinated via a UK-based HQ function** - to, set policy and strategy, operate the Governance regime, oversee delivery, drive transformation and manage contracts. Note that day-to-day operational and relationship management of EISS provider(s) in each region rests with Post.

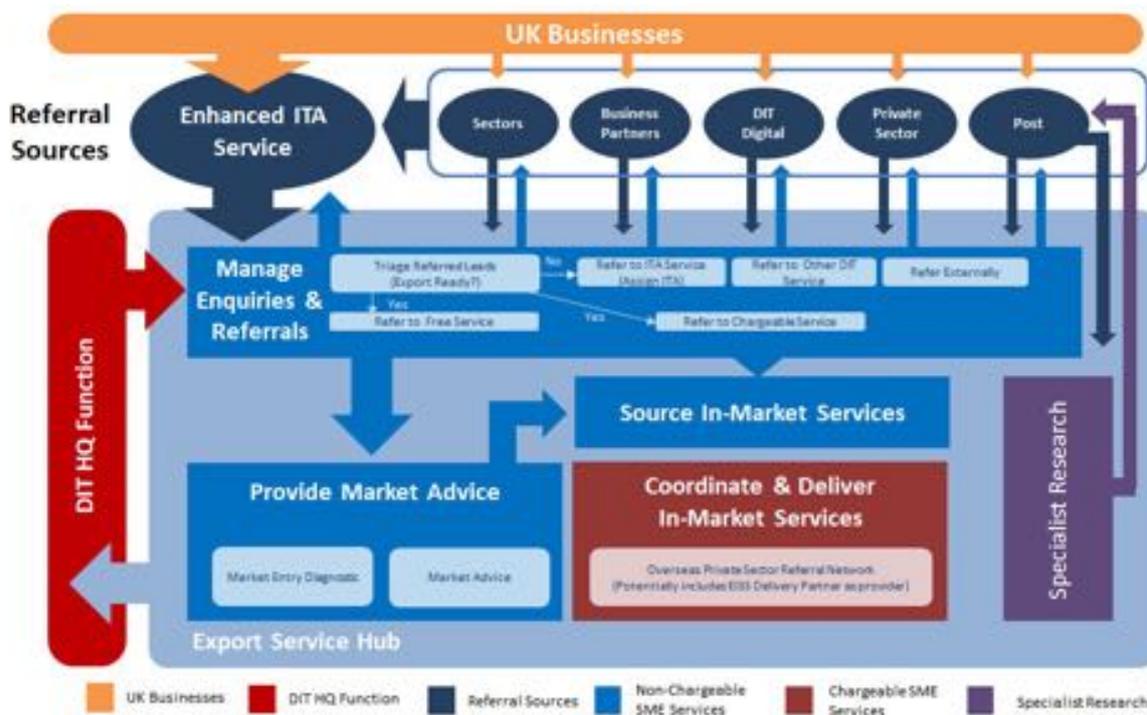


Figure 4 – HMT Region EISS Delivery Model

3. **The principal means of accessing the service is through ITAs** – in the English regions the aim is to channel leads from a variety of stakeholders

through our EITA service so that we can ensure businesses are 'export ready' before being referred overseas. However, we still expect there will be direct referrals, for example from Devolved Administrations (which are not in scope for the EITA service) or via direct enquiries from businesses.

4. **ITAs act as 'Export Account Managers' for overseas delivery as well as domestically** – so that we establish a consistent point of contact across the full export journey and improve the client experience by more effective management of 'hand-offs'.
5. **ITAs, overseas EISS Advisers and Post work to a shared Service Catalogue** - so that there is a common language driving consistency in service delivery. This approach also enables a seamless handover of clients supported by ITAs to EISS overseas suppliers, and from there, in some cases to Post.
6. **The Export Service Hub provides Market Advice as a free service** – with the focus being on: diagnosis to confirm the support required in-market; the provision of desk-based market advice exploiting provider developed and maintained market intelligence.
7. **The Export Service Hub helps SMEs source expertise to deliver in-market support, as a free service** – facilitated by a Supplier managed Overseas Referral Network that enables easy access to a wide range of export support and specialist advisory service providers. The network can include, by agreement with DIT, the Supplier where they have the capabilities required and wish to be considered as a provider of in-market delivery services.
8. **In-Market support via the Overseas Referral Network is a chargeable service** – with SME businesses and other Clients (e.g. Trade Bodies) contracting directly with providers on the Overseas Referral Network or, at their discretion, with the Supplier, having received details of multiple potential providers.
9. **Specialist Research Services for Post are also sourced externally as part of the EISS contract in the China, EECAN and South Asia HMTC regions** - with the focus being to support Post in projects and evidence gathering needed to progress their role in advocacy and addressing market access issues.

## 7 SERVICES DESCRIPTION

The summary requirements are:

- a) **Manage Enquiries & Referrals** - The Export Service Hub receives leads, enquiries and service requests, mainly from SMEs via ITAs in England but also direct from SMEs (e.g. in Devolved Administrations) and other sources (e.g. DIT Sectors or UK trade bodies requiring support overseas). If needed, businesses are triaged to determine their export potential. Simple requests may be serviced directly. Appointments are made for in-depth follow-up support.
- b) **Provide Market Advice** - The EISS Adviser contacts the Client and explains the services available. The EISS adviser provides a free market diagnostic, gives access to Supplier maintained Market Intelligence and / or helps the Client with business-to-business introductions.
- c) **Source In-Market Services** - The EISS Adviser sources in-market delivery support. Options for support include the Overseas Referral Network (which may include the incumbent EISS Supplier); Post; UK-based DIT support and regional Business Partners. If appropriate, the business is referred back to the ITA to apply for funding from the Internationalisation Fund, TAP or other sources.
- d) **Coordinate & Deliver In-Market Services** - The agreed in-market services are delivered. The EISS Adviser stays in contact with the SME Client (and their ITA) or the Service Requester Client to track service delivery, ensure that support is fit for purpose, and identify if further help is needed.
- e) **Setup & Manage Overseas Referral Network** - Eligible export support and specialist advisory providers are sought for the Overseas Referral Network. Due diligence is completed. Accepted organisations are registered. A Referral Network Tool is developed to support the sourcing of services for Client businesses. Procedures are developed and implemented for operation, maintenance and evaluation of the network and the providers on it.
- f) **Develop & Maintain Market Intelligence Collateral** - The EISS Supplier develops and maintains Market Intelligence and materials to support dialogue with Client businesses and the provision of free Market Advice.
- g) **Manage Delivery of the EISS Service & Reporting** - The EISS Supplier supports effective delivery of the service by: managing stakeholders; collaborating with the DIT Retained Function; managing capacity to match demand; managing service performance to deliver agreed targets, putting in place effective service management processes; producing performance data and management information and driving continuous improvement.
- h) **Provide Digital Services, Technology & Job Aids** - The EISS Supplier provides Workplace IT and develops Digital Services, technology solutions and other job aids to support EISS advisers in delivering Services. The Supplier interfaces with and where appropriate makes use of DIT strategic systems and services.
- i) **Ensure Effective Data Security & Information Management** - The EISS Supplier develops, processes and stores data and records in compliance with Data Protection Legislation and DIT information security management

requirements. The Supplier allows and supports regular audits to ensure compliance.

- j) **Provide Facilities, Personnel, Staffing & Training** - The EISS Supplier provides appropriate facilities to support the delivery of the Service, and deploys staff resource that is appropriately qualified, skilled and experienced to deliver the required Services.
- k) **Adhere to Standards, Working Practices & Principles** - The EISS Supplier adheres to agreed standards, working practices and principles.

## 8 REQUIREMENT SPECIFICATION

Requirement ID	Requirement Specification	Requirement Type						
<b>1.1</b>	<b>Manage Enquiries &amp; Referrals</b>							
	The Export Service Hub receives leads, enquiries and service requests, mainly from SMEs via ITAs in England but also direct from SMEs (e.g. in Devolved Administrations) and other sources (e.g. DIT Sectors or UK trade bodies requiring support overseas). If needed, businesses are triaged to determine their export potential. Simple requests may be serviced directly. Appointments are made for in-depth follow-up support.							
<b>A.0</b>	The Supplier shall establish an Export Service Hub facility located within the North America HMTc region, specifically in New York, with significant network coverage around the rest of North America, particularly in Los Angeles/San Francisco and Toronto. The Supplier shall understand the rules and regulations of the local market and have significant working level contacts.	<b>Mandatory</b>						
<b>A.1</b>	<p>The Supplier shall receive referrals for support to SME businesses through the EISS from the EITA Service based on an EISS Referral Form that will be emailed to the Supplier together by the ITA with links to supporting documentation such as an Export Readiness Job Aid and Export Action Plan.</p> <p>For the purposes of pricing, the number of anticipated referrals will be broken down as such:</p> <table border="1"> <thead> <tr> <th>Main Volume Band</th> <th>Annual Enquiry Volume Band</th> </tr> </thead> <tbody> <tr> <td>Main Band (included in Export Service Hub – Core Service)</td> <td>0-1,050</td> </tr> <tr> <th>Additional Volume Bands</th> <th>Annual Enquiry Volume Band</th> </tr> </tbody> </table>	Main Volume Band	Annual Enquiry Volume Band	Main Band (included in Export Service Hub – Core Service)	0-1,050	Additional Volume Bands	Annual Enquiry Volume Band	<b>Mandatory</b>
Main Volume Band	Annual Enquiry Volume Band							
Main Band (included in Export Service Hub – Core Service)	0-1,050							
Additional Volume Bands	Annual Enquiry Volume Band							

Requirement ID	Requirement Specification		Requirement Type
	Export Service Hub: First Band	1,051 - 1,300	
	Export Service Hub: Second Band	1,301- 1,500+	
A.2	<p>The Supplier shall receive enquiries and referrals for support to SME businesses by telephone or email from a variety of other potential sources that may include but are not limited to:</p> <ul style="list-style-type: none"> <li>• ITA equivalents in Devolved Administrations</li> <li>• Staff in DIT Overseas Post</li> <li>• Staff in DIT Sector teams based in the UK</li> <li>• UK Export Finance (UKEF)</li> <li>• Business Partners</li> <li>• Direct approaches from businesses (e.g. those based in Devolved Administrations) which are not supported by an ITA service).</li> </ul>		Mandatory
A.4	The Supplier shall receive requests for chargeable In-Market Services from Post, Sector Teams or our Business Partners.		Mandatory
A.5	The Supplier shall establish a consolidated work-list of all enquiries, referrals and requests and track their progress through the EISS process, i.e. covering the Manage Enquiries & Referrals, Provide Market Advice, Source In-Market Services and Coordinate & Deliver In Market Services journey stages as appropriate for the Client.		Mandatory
A.6	The Supplier shall confirm receipt of all enquiries or referrals via email within 2 working days of receipt as set out in Schedule 9 (Service Level).		Mandatory
A.7	The Supplier shall arrange a follow-up appointment for each Client referral or enquiry within 5 working days of receipt as set out in Schedule 9 (Service Levels).		Mandatory
A.8	<p>The Supplier shall consider whether enquiries can be serviced by the provision of a one-off response that is likely to address the query, or whether the business requires personalised support through an EISS Adviser. Where a query can be resolved directly the Supplier shall answer the query via email or telephone, providing any supporting Market Intelligence or Collateral that may be useful.</p>		Mandatory
A.9	<p>For Client enquiries and referrals that require the support of an EISS Adviser the Supplier shall validate that the business is likely to be eligible to receive the EISS service based on a Triage that involves:</p> <ol style="list-style-type: none"> <li>a) Reviewing the EISS Referral Form and Export Readiness Job Aid if forwarded from an ITA; or</li> </ol>		Mandatory

Requirement ID	Requirement Specification	Requirement Type
	b) EISS Adviser based research on the company to determine their scale and export potential and that the Client is registered in the UK (i.e. covering England and the Devolved Administrations).	
<b>A.10</b>	For Clients referred by routes other than the ITA service and which do not appear to be High Export Potential Businesses the Supplier shall route to alternative sources of support which may include: a) The Great.gov portal as DIT's universal offer for all businesses; or b) Business Partners.	<b>Mandatory</b>
<b>A.11</b>	For Clients based in England that are referred by routes other than the EITA service and which do appear to be High Export Potential Businesses, the Supplier shall use the DIT Referral Service to route the firm back to the appropriate ITA or EITA delivery partner. This will enable the business to either: a) Consult with an assigned ITA before being referred to the EISS for regional and in-market support; or b) Be assigned an ITA who will establish a domestic relationship with the business and provide support to ensure it is Export Ready before being referred to the EISS for regional and in-market support.	<b>Mandatory</b>
<b>A.12</b>	The Supplier shall arrange via email or telephone or equivalent an appointment for a consultation with an EISS Adviser as part of the Provide Market Advice journey stage for Clients that require it and that pass the preliminary Triage process step.	<b>Mandatory</b>
<b>A.14</b>	The Supplier shall arrange via email or telephone an appointment for a consultation with an EISS Adviser as part of the Source In-Market Services journey stage for service requests received from Post, DIT Sectors or our Business partners.	<b>Mandatory</b>
<b>A.15</b>	The Supplier shall establish a record on the EISS Supplier CRM System for all Clients for which enquiries and referrals are received. The CRM record shall include company details, a summary of the details from the referral form (if available), or from the enquiry received, a summary of any preliminary Triage undertaken, and the action taken in response.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
<b>1.2</b>	<b>Provide Market Advice</b>	
	The EISS adviser contacts the Client and explains the services available. The EISS adviser provides a free market diagnostic, gives access to Supplier maintained Market Intelligence and / or helps the Client with business-to-business introductions.	
<b>B.1</b>	Before making initial contact with the Client requesting the service the EISS Adviser shall review relevant data and documentation to understand the client context and requirements. This may include but is not limited to: <ul style="list-style-type: none"> <li>a) The Data Hub record (where the Supplier has access to it)</li> <li>b) The Client record on the EISS Supplier CRM System;</li> <li>c) The EISS Referral Form;</li> <li>d) The Export Readiness Job Aid;</li> <li>e) The Export Action Plan.</li> </ul>	<b>Mandatory</b>
<b>B.2</b>	Before making contact with a Client the EISS Adviser shall prepare for the call, for example to determine the best solutions for the specific Client issues, the most appropriate export markets and the sources of the support that are available both 'off the shelf' and on a paid-for basis. The EISS Adviser may also contact the ITA provider to clarify issues.	<b>Mandatory</b>
<b>B.3</b>	The EISS Adviser shall make contact with Client businesses requesting services by telephone, video conference or video call, or, if feasible and by exception, in a face-to-face meeting (for example when clients may be visiting the region and/or market in-person).	<b>Mandatory</b>
<b>B.4</b>	On initial contact with a new Client business the EISS Adviser shall set out the range of services that can be provided by the EISS explaining the free support available in the Provide Market Advice stage and the potential range of paid-for services available in-market.	<b>Mandatory</b>
<b>B.5</b>	The EISS Adviser shall use the Service Catalogue to set out the services available via the Export Service Hub and In-Market Service to Clients requesting the service	<b>Mandatory</b>
<b>B.6</b>	The EISS Adviser shall provide free advice to help the Client business determine the fit and suitability of the region and the markets within it in relation to their exporting objectives, and to draw out the relevant barriers and opportunities.	<b>Mandatory</b>
<b>B.7</b>	The EISS Adviser shall make available to the Client business Market Intelligence, insights and data that are maintained by the Supplier covering the region and the individual markets within it.	<b>Mandatory</b>
<b>B.8</b>	The EISS Adviser shall sign-post the Client business to other sources of free advice and market intelligence relevant to the region, including but not limited to great.gov.uk resources and country pages.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
<b>B.9</b>	The EISS Adviser shall set up 'business to business' meetings or introductions to local buyer contacts, where contacts are readily available or in the public domain to establish a basic matchmaking capability as part of the free service.	<b>Mandatory</b>
<b>B.10</b>	Depending on the requirements of the Client business, it is anticipated that the Provide Market Advice service may take one or a number of calls to complete. The Supplier shall allocate time and resource according to Client's business needs and the scale of the likely export opportunity.	<b>Mandatory</b>
<b>B.11</b>	At the conclusion of the Provide Market Advice stage the EISS Adviser will, in consultation with the Client, determine whether: <ul style="list-style-type: none"> <li>a) The advice and Collateral provided are sufficient for the Client business to proceed with in-market implementation of their particular exporting objectives</li> <li>b) Further paid for delivery support is needed in the chosen target market(s); or</li> <li>c) The region and markets are not a good fit to deliver the business' exporting objectives and the business should be referred to the ITA service for further support in England.</li> </ul>	<b>Mandatory</b>
<b>B.12</b>	In all cases the EISS Adviser shall record the outcome of the Provide Market Advice journey stage on the EISS Supplier CRM System updating the Client business record.	<b>Mandatory</b>
<b>B.13</b>	Where available, the EISS Adviser shall update the Client business Export Action Plan.	<b>Mandatory</b>
<b>B.14</b>	Where a Client business is referred back to the ITA service the EISS Adviser shall provide whatever additional context, via email or by telephoning the ITA, as may be necessary to ensure a seamless handover of the Client business.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
<b>1.3</b>	<b>Source In-Market Services</b>	
	If additional support is required by the Client, the EISS adviser supports the business by sourcing In-Market Services. Options for support include the Overseas Referral Network (which may include the incumbent supplier); Post, UK-based DIT support and regional Business Partners. If appropriate, the Client is referred-back to the ITA to apply for funding from the Internationalisation Fund, Tradeshow Access Programme or other sources.	
<b>C.1</b>	The EISS Adviser shall assist the Client business in sourcing support to deliver whatever in-market delivery support is agreed.	<b>Mandatory</b>
<b>C.2</b>	The EISS Adviser shall assist organisations other than SMEs (e.g. Trade Bodies that fall within the definition of	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
	Client) with requests for paid for services in sourcing the support required.	
<b>C.3</b>	Before making contact with the Client business the EISS Adviser shall prepare for the call by reviewing the Client record on the EISS Supplier CRM System and by determining the potential sources of in-market delivery support.	<b>Mandatory</b>
<b>C.4</b>	Before making contact with organisations making service requests the EISS Adviser shall prepare for the call by reviewing the service request and by determining the potential sources of in-market delivery support.	<b>Mandatory</b>
<b>C.5</b>	The EISS Adviser shall make contact with the Client by telephone, video conference or video call, or, if feasible and by exception, in a face-to-face meeting (for example when clients may be visiting the region and/or market in-person).	<b>Mandatory</b>
<b>C.6</b>	The EISS Adviser shall confirm with the Client the support that is required based on the results of the Provide Market Advice journey stage as recorded in the EISS Supplier CRM System client record and / or the Export Action Plan. The EISS Adviser shall confirm with organisations making specific service requests the support that is required based on discussing the service request received.	<b>Mandatory</b>
<b>C.7</b>	<p>The EISS Adviser shall explain to the Client all the sources of in-region and in-market support that are potentially available to them, including:</p> <ul style="list-style-type: none"> <li>a) The Overseas Referral Network</li> <li>b) Services available directly from the Supplier, depending on the service and subject to Buyer,</li> <li>c) Other overseas Business Partners (for example chambers and trade bodies);</li> <li>d) Overseas <span style="float: right;">Post.</span></li> </ul> <p>The EISS Adviser shall explain to the Client that the Buyer does not accept any liability for the performance of the Overseas Referral Network or any Business Partner and this position will be expressly set out in the terms of use that the Client will sign with the Supplier prior to the required service being sourced (and the form of such terms of use shall be subject to Authority Approval). The Client shall jointly agree the best option for sourcing the required services</p>	<b>Mandatory</b>
<b>C.8a</b>	Where delivery services are to be sourced commercially the EISS Adviser shall develop guidance that explains the role of the Overseas Referral Network, the terms and conditions of its usage, and the legal obligations and liabilities that apply to the Buyer, the Supplier and the Client business	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
C.8b	<p>The Supplier shall seek Buyer approval for provision of specific delivery services by the Supplier as part of Overseas Referral Network.</p> <p>Approval will be based on the Supplier demonstrating capacity and capability to deliver the specific services in the Service Catalogue.</p> <p>Approval will be sought either at the beginning of the contract as part of the Implementation Plan (see Schedule 8) or throughout the lifetime of the contract by the Supplier demonstrating to the Buyer that they meet the requirements for providing that service as defined by their own vetting process for providers on the Overseas Referral Network.</p> <p>The Supplier shall obtain explicit approval by the Authority for each new service added</p>	
C.9	<p>Where delivery services are to be sourced commercially the EISS Adviser shall access the Overseas Network using the EISS Provider Referral Network tool.</p> <p>The Supplier shall identify minimum of three potential providers from the referral network, which can include the Supplier where the Buyer has approved that they are suitably skilled and resourced to deliver the particular service.</p> <p>Note however that in delivering the service to Clients approval that a Supplier can offer services as part of the Overseas Referral Network does not constitute any assurance or approval as to the quality of services delivered to the Client, on the part of DIT</p> <p>The rationale behind recommending short-listed providers shall be based on objective criteria including fit with business needs, demonstrated capability, value for money etc. This rationale behind the shortlisted businesses shall be recorded on the Supplier CRM System for audit purposes.</p> <p>The Client shall be given contact details of the private sector organisations on the network that will enable them to:</p> <ul style="list-style-type: none"> <li>a) Make contact with the provider to discuss their delivery and support requirements</li> <li>b) Establish the likely cost of the services to be provided</li> <li>c) Contract with them directly for the provision of services.</li> </ul>	<b>Mandatory</b>
C.10	Where services are to be sourced from overseas Business Partners or Post the EISS Adviser shall make contact details available to the Client.	<b>Mandatory</b>
C.11	The EISS Adviser shall provide additional support to ensure Clients receive an effective introduction to providers selected from the Overseas Referral Network. The degree of support	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
	will reflect Client needs and the potential scale of the export opportunity and may include but is not limited to: <ul style="list-style-type: none"> <li>a) Making email introductions</li> <li>b) Sharing (with the consent of the Client) relevant documents or extracts from them, for example the Export Action Plan</li> <li>c) Making personal introductions, for example by sitting on conference calls where there may be cultural or language barriers that the EISS Adviser could help with.</li> </ul>	
<b>C.12</b>	For Client businesses that are referred via the EITA Service the EISS Adviser shall confirm that the business is aware of potential funding availability via the ESIF Internationalisation Fund, TAP or other sources and explain that application for funding will be supported via their assigned ITA as Export Account Manager.	<b>Mandatory</b>
<b>C.13</b>	Where the Client has received a shortlist of three or more providers and chooses to receive paid-for delivery services from the Supplier the services will be agreed in a written commission including pricing and contractual terms and conditions.	<b>Mandatory</b>
<b>C.14</b>	The Supplier shall update the Export Action Plan (where available) to reflect services sourced and agreed as a result of the Source In-Market Services journey stage.	<b>Mandatory</b>
<b>C.15</b>	The EISS Adviser shall record the outcome of the Source In-Market Services journey stage on the EISS Provider CRM System updating the Client record.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
<b>1.4 Coordinate &amp; Deliver In Market Services</b>		
The agreed in-market services are delivered. The EISS adviser stays in contact with the Client (and their ITA) or the Service Requester Client to track service delivery, ensure that support is fit for purpose, and identify if further help is needed.		
<b>D.1</b>	The EISS Adviser shall follow-up with the Clients by email / telephone / videoconference or video call to confirm: <ul style="list-style-type: none"> <li>a) All agreed services are delivered and if not, why not</li> <li>b) The Client business or organisation is satisfied with the services that are delivered</li> <li>c) Whether other services may need to be sourced via the EISS or EITA Services.</li> </ul>	<b>Mandatory</b>
<b>D.2</b>	The EISS Adviser shall work with the Overseas Referral Network Provider of delivery services to ensure that any	<b>Desirable</b>

Requirement ID	Requirement Specification	Requirement Type
	issues with service delivery are resolved to the satisfaction of the Client business.	
D.3	The EISS Adviser shall capture feedback from Clients on providers in the Overseas Referral Network and ensure that this is made available to the Buyer on request.	Mandatory
D.4	The EISS Adviser shall capture feedback on the Supplier where it is asked and / or contracted to deliver in-market services and ensure that this is fed-in to the Supplier's continuous improvement initiatives. This feedback shall be made available to the Buyer on request.	Mandatory
D.5	The EISS Adviser shall consult with the ITA Export Account Manager (where assigned) as needed to ensure a seamless delivery of quality service to the Client.	Mandatory
D.6	The EISS Adviser shall update the EISS Provider CRM System with details of each Client business interaction.	Mandatory
D.7	Where the Supplier has provided paid-for services to Clients, the Supplier shall present an invoice for services received based on the agreed written commission on completion of service delivery / or based on an agreed payment schedule.	Mandatory
D.8	On completion of the delivery of in-market services the EISS Adviser shall email or make telephone contact with the ITA Export Account Manager (where assigned) so that they can undertake follow-up actions domestically.	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.5</b>	<b>Setup &amp; Manage Overseas Referral Network</b>	
	Eligible export support and specialist advisory providers are sought for the Overseas Referral Network. Due diligence is completed. Accepted organisations are registered. A Referral Network Tool is developed to support the sourcing of services for Client businesses. Procedures are developed and implemented for operation, maintenance and evaluation of the network and the providers on it.	
E.1a	The Supplier shall set up a register of private sector businesses that can provide in-market export support and delivery services to Clients – the Overseas Referral Network.	Mandatory
E.1b	The Overseas Referral Network Providers will not be charged to be included in the Overseas Referral Network; neither will the Supplier take any commission or financial incentive for any work referred in connection with the Contract.	Mandatory
E.2	The Overseas Referral Network shall be comprised of private sector businesses that are able to provide coverage in all country or regional markets in the relevant HMTc	Mandatory

Requirement ID	Requirement Specification	Requirement Type
	global region and support delivery of services in the Service Catalogue.	
E.3	The Supplier shall establish and manage an application process that will enable businesses and other organisations wishing to be listed in the Overseas Referral Network to register their interest and submit business details	Mandatory
E.4	The Supplier shall allow firms to apply to be registered on the Overseas Referral Network both in the transition period following the Effective Date, and throughout the Contract Period.	Mandatory
E.5	The Supplier shall publicise the existence of the Overseas Referral Network as part of the DIT EISS Service so that sufficient businesses apply to give Client businesses a reasonable choice when drawing on these providers for in-market delivery services.	Desirable
E.6	The Supplier shall undertake due diligence on the private sector companies that apply to be registered on the Overseas Referral Network. These checks shall include at a minimum that the business is: <ul style="list-style-type: none"> <li>a) Legally incorporated; and</li> <li>b) Can provide 2 years of Annual Accounts showing a positive Balance Sheet</li> <li>c) Has no record of criminality and any person in a position of control in the business has no record of criminality; and</li> <li>d) Complies with Modern Slavery standards.</li> </ul>	Mandatory
E.7	The Supplier shall provide assurance to the Buyer that the private sector companies applying for registration on the Overseas Referral Network are able to provide relevant export support and advisory services, for example by asking for the provision of client testimonials and/or case studies that are no older than 3 years that clearly demonstrate the provider's ability to provide the relevant services.	Mandatory
E.8	The Supplier shall not unreasonably with-hold admittance to the Overseas Referral Network for any provider that is able to meet the due-diligence criteria and demonstrates that it is capable of providing the relevant services.	Mandatory
E.9	The Supplier shall be permitted to list itself as a provider on the Overseas Referral Network subject to Approval by the Authority. The Supplier shall demonstrate to the Authority's satisfaction that it has the capacity, capability and experience to deliver the required services.	Desirable
E.10	The Supplier shall develop guidance to support the EISS Advisers and Clients in using the Overseas Referral Network. This guidance will set out, at a minimum: <ul style="list-style-type: none"> <li>a) The purpose of the Overseas Referral Network</li> </ul>	Mandatory

Requirement ID	Requirement Specification	Requirement Type
	<ul style="list-style-type: none"> <li>b) The services offered</li> <li>c) The process for selecting a provider from the network, including the requirement for a minimum short-list of three providers</li> <li>d) The role of the EISS Adviser in impartially linking the Client with suitably qualified providers that can provide the specific services that are required</li> <li>e) The process for contacting providers and obtaining a quote for the services delivered</li> <li>f) The potential for certain services to be eligible for funding, for example from the Internationalisation Fund or TAP</li> <li>g) The limitations of legal liability applying to the Buyer and the Supplier</li> <li>h) The legal responsibilities and risks being assumed by the Client business in taking up support from a business listed on the network.</li> </ul>	
<b>E.11</b>	The Supplier shall develop and deploy an EISS Provider Referral Network tool for use by EISS Advisers and Client businesses in the Source In-Market Services journey stage (as described in the consideration of Digital Services, Technology & Job Aids below).	<b>Mandatory</b>
<b>E.12</b>	The Supplier shall record details of all referrals made to the Overseas Referral Network, covering the provider that was selected and the services delivered. The Supplier shall make this data available to the Buyer on request to support service management and continuous improvement activities.	<b>Mandatory</b>
<b>E.13</b>	<p>The Supplier shall manage the providers on the Overseas Referral Network through the lifetime of the contract to ensure that:</p> <ul style="list-style-type: none"> <li>a) There are sufficient providers in each service area and country or regional market to offer Clients a choice of provision and price points</li> <li>b) There are sufficient providers to offer the full scope of services that may be needed. The minimum number is 3 providers for each of the following professions:  Legal  Accountancy  Market Research  Event Management  Marketing &amp; PR</li> </ul> <p>The minimum number for each of the DIT sectors, and their sub-sectors, is 3 for the following:  Energy &amp; Infrastructure</p>	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
	<p>Defence &amp; Security            Healthcare            Life Sciences &amp; Bio Economy            Technology, Entrepreneurship and Advanced Manufacturing            Creative, Lifestyle &amp; Learning (including creative industries, consumer and retail, sports economy, food and drink and education)            Financial &amp; Professional Services</p> <p>c) All providers can supply the required services to an acceptable level of quality</p> <p>d) The network is able to evolve to offer new services according to regional demand and the evolution of the EISS service offer over time, including incorporating best practice from other EISS providers and aligning with the development of the EITA referral network.</p> <p>e) Ensure members of the Overseas Referral Network consent to some form of 'terms of participation' including the sharing of their details with DIT for the purposes of maintaining an Overseas Referral Network on the expiry or termination of this contract, including consent to pass these details on to any successor provider or other UK government department, as appropriate, and an acknowledgement by the member that the Supplier is not entering into the terms on behalf of DIT and the member has no recourse to DIT under the terms.</p>	
<b>E.14</b>	The Supplier shall capture satisfaction feedback from Clients utilising the Overseas Referral Network to allow it to assess the quality of the providers that are registered and share with the Buyer.	<b>Mandatory</b>
<b>E.15</b>	If the Supplier is itself registered as a provider on the Overseas Referral Network it shall also capture satisfaction feedback from Client businesses it has supported and share this information on request with the Buyer.	<b>Mandatory</b>
<b>E.16</b>	The Supplier shall establish and manage a complaints process to ensure that Clients utilising the Overseas Region Private Sector are able to give visibility to service issues with particular providers.	<b>Mandatory</b>
<b>E.17</b>	<p>The Supplier shall review the performance and status of providers registered on the Overseas Referral Network at least once a year, and in line with the terms of participation, to confirm that:</p> <p>a) There are no adverse changes to the legal and financial status of the provider that might cause it to fail due diligence checks;</p>	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
	<ul style="list-style-type: none"> <li>b) The provider continues to have the capacity and capability to deliver the services for which it is registered; and</li> <li>c) The performance and quality of services provided, as informed by Client business feedback, is of an acceptable standard with satisfaction levels on quality of information and timeliness of response scoring at least 7/10</li> <li>e) Has no record of criminality; and</li> <li>f) Complies with Modern Slavery standards.</li> </ul>	
<b>E.18</b>	The Supplier shall establish criteria for removing providers from the Overseas Referral Network where due diligence checks are failed and where performance and service quality are deemed to be unacceptable and report to the Buyer.	<b>Mandatory</b>
<b>E.19</b>	The Supplier shall obtain the prior agreement of the Buyer to the removal of a provider from the Overseas Referral Network and shall provide the Buyer with such evidence as the Buyer may reasonably request to support such removal.	<b>Mandatory</b>
<b>E.20</b>	The Supplier shall provide a monthly performance report to the Buyer covering referral network utilisation, additions to the network, deletions from the network with a supporting management level commentary as set out in Schedule 6.	<b>Mandatory</b>
<b>E.21</b>	Management of the Overseas Referral Network will revert to the Buyer at the end of the Contract, and this should be made clear in the terms of participation.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
<b>1.6 Develop &amp; Maintain Market Intelligence Collateral</b>		
The Supplier develops and maintains Market Intelligence and materials to support dialogue with Clients and the provision of Market Advice.		
<b>F.1</b>	The Supplier shall develop Market Intelligence Collateral that can be used to help Clients better understand the region in addition to the personalised support received from an EISS Adviser in the Market Advice journey stage. This will be approved by the Buyer for quality, currency and scope.	<b>Mandatory</b>
<b>F.2</b>	Market Intelligence Collateral developed by the Supplier shall not duplicate country and market data more generally available through DIT and other open sources (for example country pages on great.gov.uk or on the web), but should be at the next level of detail, specific to a country or regional market and / or sector within the overall HMTC global region.	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
F.3	Market intelligence Collateral will cover a variety of topics, including but not limited to: <ul style="list-style-type: none"> <li>a) Market Data</li> <li>b) Visa and Immigration Information</li> <li>c) Opening a Bank Account</li> <li>d) Intellectual Property</li> <li>e) Employment Legislation</li> <li>f) Establishing a presence in the Region</li> <li>g) Debt Recovery</li> <li>h) Customs information</li> <li>i) E-commerce guide</li> <li>j) Logistics and Warehousing</li> <li>k) Attending Trade Shows</li> <li>l) Cultural Advice</li> <li>m) Sector 'Snapshots' for each DIT core sector: Creative, Lifestyle and Learning including creative industries, consumer and retail, sports economy, food and drink and education); Defence and Security; Energy and Infrastructure; Financial and Professional Services; Healthcare, Life Sciences and Bio-Economy; Technology, Entrepreneurship and Advanced Manufacturing.</li> </ul>	Mandatory
F.4	Intellectual property associated with Market Intelligence Collateral developed by the Supplier shall be owned by the Buyer.	Mandatory
F.5	Market Intelligence Collateral developed by the Supplier shall be freely available to all Clients.	Mandatory
F.6	Market Intelligence Collateral shall be readily accessible to Clients over the web or by email and shall be sign-posted to all clients as part of the Market Advice journey stage.	Mandatory
F.7	The Supplier shall maintain Market Intelligence Collateral on an ongoing basis to ensure it remains accurate and up-to-date.	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.7</b>	<b>Manage Delivery of the EISS Service &amp; Reporting</b>	
	The Supplier supports effective delivery of the service by: managing stakeholders; collaborating with the DIT Retained Function; managing capacity to match demand; managing service performance to deliver agreed targets, putting in place effective service management processes; producing performance data and management information and driving continuous improvement. Please refer to Schedule 6	
G.1	The Supplier shall provide an Implementation Plan that will detail how they plan to transition the service over from the	Mandatory

Requirement ID	Requirement Specification	Requirement Type
	incumbent supplier as set out at Schedule 8 (Implementation & Testing).	
G.2	The Supplier shall develop a Service Plan that will detail key service delivery goals through the year, cover the resourcing plan to meet them and include any changes or improvements to be made to the service either directly by the Supplier or as part of jointly sponsored improvements. The Service Plan will be agreed by the Service Transformation Unit in the DIT HQ Function.	Mandatory
G.3	The Supplier shall participate in monthly Contract Reviews and provide support as required for governance of the Service as set out at Schedule 11 (Contract Management).	Mandatory
G.4	The Supplier shall ensure that it has systems and reporting that can generate Management Information on Service delivery and performance that is sufficient to support Service planning, manage Service performance and drive Service improvement.	Mandatory
G.5	The Supplier shall manage Service performance to meet the Target Performance Levels defined at Schedule 9 (Service Levels) by measuring performance against targets and establishing processes and accountabilities to proactively identify and address any performance issues that are identified.	Mandatory
G.6	The Supplier shall make Service delivery and performance data available as may be required to support DIT service delivery audits and ensure Service provision is in-line with Standards and targets set in this Contract.	Mandatory
G.7	The Supplier shall complete Performance Monitoring Reports based on templates and performance metrics agreed with the Buyer and submit these to the DIT HQ Function for collation into a national report to support contract reviews and as input to innovation and improvement initiatives.	Mandatory
G.8	The Supplier shall work with the DIT HQ Function Monitoring & Evaluation team to provide data for and support studies that are aimed at evaluating the impact and effectiveness of the EISS.	Mandatory
G.9	The Supplier shall create and maintain a system for logging Client issues and Client complaints and shall ensure that Clients are aware of this. The Supplier shall then use best endeavours to resolve Client issues or complaints. The Supplier shall also make staff and Clients aware of the DIT complaints procedure. In addition, the Supplier shall share the log of issues and complaints with the DIT HQ Function to support it in future service delivery audits.	Mandatory

<b>Requirement ID</b>	<b>Requirement Specification</b>	<b>Requirement Type</b>
<b>G.10</b>	The Supplier shall establish its own accounting and financial management capability to support Service delivery and ensure appropriate financial controls. The Supplier shall support the Buyer in conducting periodic financial audits and make all relevant data available for this purpose as at Schedule.	<b>Mandatory</b>
<b>G.11</b>	The Supplier shall share financial data with the DIT Retained Function on a fully transparent basis, operating on an 'open book' accounting approach.	<b>Mandatory</b>
<b>G.12</b>	The Supplier shall develop and comply with a quality assurance process and shall submit such a process to the Buyer for assurance as per Schedule 8.	<b>Mandatory</b>
<b>G.13</b>	The Supplier shall develop a Quality Plan, that ensures that all aspects of the Services are the subject of quality management systems; and is consistent with ISO 9001: 2015 or any standard which is generally recognised as being equivalent to it.	<b>Mandatory</b>
<b>G.14</b>	Quality Plan - covered in Schedule 8.	<b>Mandatory</b>
<b>G.15</b>	The Supplier shall work to capture learnings and best practice and drive innovation and service improvement in collaboration with other EISS Delivery Partners and the Service Transformation Unit in the DIT HQ Function.	<b>Mandatory</b>
<b>G.16</b>	The Supplier shall define and implement a process for embedding continuous improvement within the organisation. The Service improvement process shall set out the key steps and approach, such as how existing performance will be analysed, how improvement opportunities will be identified, how improvements will be prioritised and aligned with national objectives and how they will be delivered and evaluated.	<b>Mandatory</b>
<b>G.17</b>	The Supplier shall develop and maintain a rolling Continuous Improvement Plan in accordance with Schedule 11 to set out a schedule of service improvement projects showing when solutions will be designed, developed and then rolled-out into the live service. The plan should also set out the desired benefits for the various improvements to be made and how they will be measured and evaluated.	<b>Mandatory</b>
<b>G.18</b>	The Supplier shall arrange regular service improvement reviews with the DIT Service Transformation Unit to review and discuss the Service Improvement Plan as set out in Schedule 13.	<b>Mandatory</b>
<b>G.19</b>	The Supplier shall establish and implement an internal process to track suggested changes and ensure its obligations under the Variation Procedure are performed including but not limited to ensuring service impact assessments are carried out, showing how changes will be	<b>Mandatory</b>

Requirement ID	Requirement Specification	Requirement Type
	controlled and approved through the design, build and implementation stages.	
G.20	The Supplier shall ensure that fixes, enhancements and the roll-out of new services and solutions are introduced in a controlled and managed fashion based on a defined Service Introduction Process and with an appropriate degree of business change management support.	Mandatory
G.21	The Supplier shall capture and forward to the Buyer any export opportunities identified during the course of its business that are suitable for publishing on the Great.gov Export Opportunities service and alert the relevant ITA/EITA Adviser.	Mandatory
G.22	The Supplier shall capture and forward to the Buyer any market access issues that are suitable for publishing on the market access database on the Data Hub.	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.8</b>	<b>Provide Digital Services, Technology &amp; Job Aids</b>	
	The Supplier provides workplace IT and develops digital services, technology solutions and other job aids to support EISS Advisers in delivering services. The Supplier interfaces with and where appropriate makes use of DIT strategic systems and services.	
H.1	The Supplier shall ensure that any digital services, technology solutions or job aids that it provides are compliant with the DIT Digital, Data and Technology (DDaT) team's security and service standards	Mandatory
H.2	The Supplier shall ensure that all digital, data and technology spend on bought or built solutions to support the Services is approved through DIT's DDaT governance processes.	Mandatory
H.3	The Supplier shall provide its own Workplace IT, including but not limited to: <ul style="list-style-type: none"> <li>o Desktop, Laptop, PDA and other computing devices;</li> <li>o Servers, storage, LAN and WAN capabilities</li> <li>o Desktop services, such as the Microsoft office suite of applications;</li> <li>o Email services;</li> <li>o Calendar and diary management services;</li> <li>o Printing services;</li> <li>o Internet access;</li> <li>o Knowledge management services;</li> <li>o Document and records management services;</li> <li>o Telephony services;</li> </ul>	Mandatory

Requirement ID	Requirement Specification	Requirement Type
	<ul style="list-style-type: none"> <li>o Videoconferencing and video calling services (e.g. Skype)</li> </ul>	
<b>H.4</b>	<p>The Supplier shall provide its own Customer Relationship Management system (the EISS Delivery Partner CRM System). The system shall be capable at a minimum of, but not limited to:</p> <ul style="list-style-type: none"> <li>o Establishing client records for Clients</li> <li>o Logging details of key interactions with Clients that are supported by the Supplier</li> <li>o Tagging businesses with an owning EISS Adviser</li> <li>o Recording summary details for each client record, including contact details.</li> </ul>	<b>Mandatory</b>
<b>H.5</b>	<p>The Supplier shall ensure that data captured on the EISS Delivery Partner CRM System can be extracted for upload to the DIT Data Hub in at a minimum, CSV format.</p>	<b>Mandatory</b>
<b>H.6</b>	<p>The Supplier shall ensure that data is extracted and forwarded securely to DIT HQ team monthly as set out in Schedule 13 (Security Management).</p>	<b>Mandatory</b>
<b>H.7</b>	<p>The Supplier shall provide an EISS Delivery Partner Pipeline Tool solution for managing the pipeline of work through the Export Service Hub, which may be integrated with or separate from the EISS Delivery Partner CRM System.</p>	<b>Desirable</b>
<b>H.8a</b>	<p>The Supplier shall provide a solution for accessing and managing the Overseas Referral Network. This 'EISS Provider Referral Network Tool' shall (at a minimum, but not limited to) enable:</p> <ol style="list-style-type: none"> <li>a) The EISS Adviser and Client to view all providers registered on the Overseas Referral Network with a short company biography and contact details</li> <li>b) The EISS Adviser and Client to search and view all providers registered on the Overseas Referral Network that are able to provide specific services as set out in the Service Catalogue</li> <li>c) The EISS Adviser and Client to search and view providers by the country or regional markets they are able to support</li> <li>d) The EISS Adviser and Client to search for providers with specialisms in specific sectors.</li> </ol>	<b>Mandatory</b>
<b>H.8b</b>	<p>The Supplier may at their discretion, and by agreement with the Buyer provide optional systems, spreadsheets or other job-aids, including presentational or workshop materials that help ITAs run the diagnostic process for Supported Businesses. It is anticipated a variety of solutions may be in operation, tailored to businesses with differing exporting experience and capability.</p>	<b>Desirable</b>

Requirement ID	Requirement Specification	Requirement Type
H.9	The Supplier shall assist DIT in the production of content for its universal offer, working with colleagues in the DDaT Content team - including advice and guidance, thought leadership, and case studies.	Desirable
H.10	The Supplier shall assist with user research as and when required, including participating surveys and providing feedback on DIT services.	Desirable
H.11	The Supplier will adhere to local and UK legal requirements in relation to processing personal data.	Mandatory
H.12	The Supplier shall ensure that activity conducted by ITAs will be compliant with DIT's Data Strategy, and its Data Protection Impact Assessment and cyber policies.	Mandatory
H.13	The Supplier should provide detailed information and demonstration on use of third-party tools or services to assist with DIT's continuous improvement of services.	Desirable
H.14	The Supplier will share emerging user needs (both needs of UK businesses and EISS staff) to assist with DIT's continuous improvement of services.	Desirable

Requirement ID	Requirement Specification	Requirement Type
<b>1.9</b>	<b>Ensure Effective Data Security &amp; Information Management</b>	
	The Supplier develops, processes and stores data and records in compliance with GDPR and DIT information security management requirements. The Supplier allows and supports regular audits to ensure compliance.	
I.1	The Supplier shall ensure when gathering Client details that their processes are compliant with Data Protection Legislation.	Mandatory
I.2	The Supplier shall use a privacy notice in the form agreed with the Buyer	Mandatory
I.3	The Supplier shall submit to DIT for Approval, and when Approved, comply with, a procedure for processing Data Subject Requests (in accordance with Data Protection Legislation and its obligations under Schedule 20).	Mandatory
I.4	Where the Supplier is required to supply information to the Buyer to enable them to respond to Data Subject Requests, the Supplier shall cooperate within such time and in such form as reasonably requested by the Buyer. Where no period of time is specified by the Buyer, the Supplier shall action the request within ten (10) Working Days from the date the request is made to the Supplier (unless a longer period is specified in advance by the Buyer).	Mandatory

Requirement ID	Requirement Specification	Requirement Type
I.5	The Supplier shall comply with all DIT's specific requirements relating to retention periods for all Data to be agreed during implementation.	Mandatory
I.6	The Supplier shall put in place data management procedures to ensure that data is periodically assessed for deletion.	Mandatory
I.7	The Supplier shall securely delete all Buyer Data at the expiry of its retention period.	
I.8	The Supplier shall ensure that all Buyer Data deleted at the expiry of its retention period cannot be accessed by anyone. Buyer Data held on paper shall be securely shredded and Buyer Data held electronically shall be erased.	Mandatory
I.9	The Supplier shall notify DIT within five (5) Working Days of all changes to all processes and activities (including locations where they may be undertaken) that will require DIT to update its notification on the ICO Register of Data Controllers.	Mandatory
I.10	The Supplier shall submit to DIT for Approval, and when Approved, comply with, a data protection audit plan. The plan shall include: <ul style="list-style-type: none"> <li>o timescales for preparation and conduct of the annual audit; and</li> <li>o the audit strategy and planned outputs.</li> </ul>	Mandatory
I.11	The Supplier shall comply with the data protection Audit Plan.	Mandatory
I.12	The Supplier shall ensure that a comprehensive data protection audit is carried out by an independent third party and /or the Buyer.	Mandatory
I.13	The Supplier shall undertake a data protection audit every twelve (12) months (or such other frequency as the Buyer may require) and report the findings to the Buyer.	Mandatory
I.14	The Supplier shall implement any recommendations from any data protection audits within timescales set by the Buyer.	Mandatory
I.15	The Supplier shall establish and manage an incident management process and maintain an incident log.	Mandatory
I.16	The Supplier shall provide DIT with reports, in electronic format when requested by DIT, from the incident log including full details of: <ul style="list-style-type: none"> <li>o Incidents;</li> <li>o Security Incidents;</li> <li>o Changes; and</li> <li>o Any other incidents.</li> </ul>	Mandatory

Requirement ID	Requirement Specification	Requirement Type
I.17	DIT may carry out audits of the Supplier's quality management systems at agreed times. The Supplier shall comply with auditing procedures for the quality management systems.	Mandatory
I.18	Audit – covered in contract schedules.	Mandatory
I.19	Where the Supplier is a third country outside of the European Union and is to receive or transfer personal data to and from the European Union (replace with United Kingdom if we exit without a deal) for whatever reason; the Supplier shall ensure that EU Contractual Clauses are agreed and signed with DIT*. If the supplier is based in the United States; they must also prove that they are registered on the Privacy Shield. * Clauses uploaded onto Schedules SharePoint as GDPR – EU Clauses 1 and 2	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.10 Provide Facilities, Personnel, Staffing &amp; Training</b>		
The Supplier provides appropriate facilities to support the delivery of the service, and deploys staff resource that is appropriately qualified, skilled and experienced to deliver the required services.		
J.1	The Supplier shall ensure that only appropriately qualified Supplier Staff are employed to provide the Service both where employed directly by the Supplier or through Sub-Contractors.	Mandatory
J.2	The Supplier shall ensure that appropriate and relevant Supplier Staff security checks are performed for new Supplier Staff prior to the commencement of their employment.	Mandatory
J.3	The Supplier shall ensure that the scope of the identified job roles clearly identifies the responsibilities and accountability for outputs and interfaces with DIT and ITA/EITA service providers.	Desirable
J.4	The Supplier shall ensure that the Supplier Staff have access to all Documentation appropriate to the performance of any role to which they are assigned.	Mandatory
J.5	The Supplier shall ensure that person(s) are nominated to be responsible for the delivery of the Services as set out in Schedule 23 and are contactable by the Buyer during local working hours and provide one contact to be available at all times in case of emergency.	Mandatory

Requirement ID	Requirement Specification	Requirement Type
J.6	The Supplier shall submit to DIT for Approval and, when Approved, comply with the contents of and materials of a formal induction course for new Supplier Staff.	Mandatory
J.7	The Supplier shall put in place training programmes to ensure that Supplier Staff are fully conversant with the service standards, systems and supporting Collateral.	Mandatory
J.8	The Supplier shall ensure that training materials are regularly updated to reflect changes to the Service as may be agreed from time-to-time.	Mandatory
J.9	The Supplier shall ensure that Supplier Staff have an understanding of DIT corporate knowledge and are kept up to date on DIT corporate news and events.	Mandatory
J.10	The Supplier shall put in place internal communications to ensure that Supplier Staff are conversant with issues impacting the Service, learnings from day-to-day delivery and planned changes.	Mandatory
J.11	The Supplier shall establish an appropriate performance management framework for its staff, and be accountable for managing and developing Supplier Staff in a way that incentivises a client focused approach to delivery.	Mandatory
J.12	The Supplier shall ensure that the Buyer is notified immediately of the occurrence of any of the following regarding the Supplier's own or retained Staff: <ul style="list-style-type: none"> <li>o suspensions;</li> <li>o disciplinary proceedings;</li> <li>o dismissals; and/or</li> <li>o Key Personnel appointments.</li> </ul>	Desirable

Requirement ID	Requirement Specification	Requirement Type
<b>1.11 Adhere to Standards, Working Practices &amp; Principles</b>	The Supplier adheres to agreed standards, working practices and principles	
K.1	The Supplier shall comply with all standards, policies, processes, procedures, and measures requested by the Buyer during the term of this Contract.	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.12 Align with DIT Marketing &amp; Branding</b>	The EISS Supplier aligns with DIT Marketing & Branding requirements, provides support to market the service internally to ITAs in the UK and in support of HMTc and HCV campaigns	

Requirement ID	Requirement Specification	Requirement Type
being delivered overseas. This is only when acting as the Supplier, and not as the ORN provider.		
L1	The Supplier shall consult with the National Marketing & Campaigns team in the DIT HQ Function to ensure brand compliance and support periodic brand audits to ensure ongoing compliance.	Mandatory
L2	For promotional material required to deliver the EISS the Supplier shall use the 'Great' branding. By exception and with the agreement of the Buyer the supplier shall use the 'in-support of Great' branding where Great is not leading based on associated marketing collateral / guidance provided via the DIT marketing team.	Mandatory
L3	The Supplier shall ensure EISS personnel are presented as representatives of DIT to Clients supported through the service.	Mandatory
L4	The Supplier shall at all times present a professional image to Clients, our business partners and stakeholders as representatives of DIT.	Mandatory
L5	The Supplier shall support HMTCs and Posts in delivering High Value Campaigns within the region to push out content and messages through local networks and work, in collaboration with other DIT teams, to deliver targeted messages to businesses supported.	Mandatory
L6	The Supplier shall support marketing of the service internally by: <ul style="list-style-type: none"> <li>o Sending at least one representative to an annual DIT hosted two-day conference in the UK;</li> <li>o Providing personnel to supporting business-to-business workshops in the UK covering each of the five EITA regions over a two-week period;</li> <li>o Providing (at least 2) updates for priority countries or markets in their region bi-annually. These shall be in the form of a written report outlining changes in market conditions / relevant trends, suitable for distribution to the ITA population.</li> </ul>	Mandatory

Requirement ID	Requirement Specification	Requirement Type
<b>1.13 Additional Services</b>		
The Supplier shall have the capability to provide additional services should the Buyer request these, priced against the rate card provided by the Supplier.		
M.1	Research and writing of additional market entry collateral for additional sectors not currently specified.	Desirable

<b>M.2</b>	Research and writing of additional market entry collateral for newly emerging regions/states in the Region.	<b>Desirable</b>
<b>M.3</b>	Event management for events commissioned by DIT / UK Diplomatic Posts.	<b>Desirable</b>
<b>M.4</b>	In-market analysis of business behaviour and trends.	<b>Desirable</b>

## **Schedule 3 (Charges and Invoicing)**

## **1** DEFINITIONS

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## PART A: PRICING BREAKDOWN

### 1 APPLICABLE PRICING MECHANISMS

- 1.1 The Charges for this contract shall be made up of Annex 1 – Pricing Mechanism and Annex 2 – Pricing Adjustments. The contract shall use the following applicable pricing mechanisms:
- (a) **“Firm Price”**, in which case the provisions of Paragraph 2 shall apply.
  - (b) **“Fixed Price” (Fixed)**, in which case the provisions of Paragraph 3 shall apply; or
  - (c) **“Volume Based” (Vol) (Fixed)**, in which case the provisions of Paragraph 4 shall apply.
  - (d) **“Time and Materials” (T&M)**, in which case the provisions of Paragraph 5 shall apply;
- 1.2 The Supplier’s Attachment 1: Pricing Model Template provides detailed breakdowns of the Charges included in the Annex 1 of Schedule 3 and may be referred to by the Parties to ensure transparency.

### 2 FIXED PRICES

- 2.1. Table 2 of Annex 1 sets out the Service Charge and Termination Payment where Fixed Prices apply.
- 2.2. Charges calculated by reference to a Fixed Price pricing mechanism shall be subject to increase by way of Indexation.

### 3 VOLUME BASED FIXED PRICE

- 3.1. Table 3 in Annex 1 sets out the volume based fixed price components of this contract which relate to Export Service Hub: Additional Volumes.
- 3.2. The Export Service Hub First Band and Second Band which is set out in Table 3 of Annex 1 shall be subject to annual indexation.

### 4 TIME AND MATERIALS (SERVICE CHARGES FOR ADDITIONAL SERVICES)

- 4.1. The service charge for Additional Services is to be calculated by reference to a Time and Materials pricing mechanism as set out in Table 4 of Annex 1:
- (a) The provisions of clause 4.1 of this Part A shall also be subject to the following conditions for Additional Services:
    - (i) the Supplier (or its Sub-contractor) shall not be entitled to include any uplift for risks or contingencies within its rate cards;

- (ii) the Supplier (or its Sub-contractor) shall not be paid any Charges to the extent that they would otherwise exceed the quote for the Additional Services agreed in any Variation documents for those Services unless the Supplier has obtained the Buyer's prior written consent. The Supplier shall monitor the amount of each Charge incurred in relation to its quote for the Additional Services and notify the Buyer immediately in the event of any risk that the Supplier's quote may be exceeded, and the Buyer shall instruct the Supplier on how to proceed;
- (iii) the Supplier (or its Sub-contractor) shall only be entitled to be paid Charges that have been properly and reasonably incurred, taking into account the Supplier's obligation to deliver the Services in a proportionate and efficient manner; and
- (iv) the Supplier (or its Sub-contractor) shall keep records of hours properly worked by Supplier Staff (in the form of timesheets) and expenses incurred and submit a summary of the relevant records with each invoice. If the Buyer requests copies of such records, the Supplier shall make them available to the Buyer within 10 Working Days of the Buyer's request where the records relate to the delivery of the Services.

## PART B: CHARGING MECHANISMS

### 1 CHARGES STRUCTURE SUMMARY

- 1.1. The Charges for the Contract shall be made up of the following Service elements which are detailed in the table below:
- (a) Implementation
  - (b) Export Service Hub: Core Services
  - (c) Additional Services (to be used as and when Services are required)
  - (d) Exit and Termination

Service element	Pricing Mechanism
Implementation	FIRM PRICE – Indexation does not apply
Export Service Hub: Core Services	FIXED PRICE – Indexation does apply
Export Service Hub - First Band and Second Band	FIXED PRICE – Indexation does apply
Additional Services*	TIME AND MATERIALS – Firm Price using Rate Card. Indexation does apply.
Exit /Termination	FIXED PRICE – Indexation does apply

\*To be used as and when service requirements materialise

### 2 IMPLEMENTATION

- 2.1 This includes the Implementation Plan and transition activities.
- 2.2 Payments are made against four defined Deliverables as per Schedule 8, Annex 1.
- 2.3 Each invoice relating to a Deliverable Payment shall be supported by a Satisfaction Certificate (Schedule 8, Annex 2) and in line with Part E.
- 2.4 On the Approval of a Deliverable and issue of a Satisfaction Certificate, the Supplier shall be entitled to invoice the Buyer for the Deliverable Payment associated with that Deliverable less the applicable Delay Payment in accordance with clause 2.5.
- 2.5 The Delay Payment for each Deliverable shall be calculated as follows:
- (a) For each day of Delay, after the Deliverable Date, [REDACTED]  
[REDACTED]  
[REDACTED]
  - (b) Time in relation to compliance with the Implementation Plan shall be of the essence and failure of the Supplier to comply with the Implementation

Plan shall be a material Default.

- 2.6 Transparent costing is requested in the Pricing Template so that the Buyer can understand the breakdown of costs that total up to each Deliverable.

### 3 EXPORT SERVICE HUB: CORE SERVICES

- 3.1 The volume of enquiries for the Services is split into 3 bands, only the Main Volume Band is detailed in the table below:

Main Volume Band	Enquiry volume band
Main Band (included in Export Service Hub – Core Service)	0-5,950

- 3.2 The Export Service Hub: Core Services shall commence on the Operational Commencement Date.
- 3.3 A Fixed Price shall be charged against the Export Service Hub: Core Services
- 3.4 Service Credits may be applied to Service Charges in any Service Period where performance against Key Performance Indicators falls below the Target Performance Level in accordance with Paragraph 2 (Adjustment for Key Performance Indicators) of Part C of this Schedule.
- 3.5 The Supplier has placed [REDACTED] (defined as "Fee at Risk") for its performance against the Key Performance Indicators. Service Credits will be applied to the Service Charge relating to Export Service Hub: Core Services and Export Service Hub: Additional Volumes for performance against the Key Performance Indicators after the end of the Service Period when performance has been assessed in accordance with Paragraphs 3 (Adjustments for Key Performance Indicators) and 4 (Adjustments for Targets) of Part C of this Schedule.
- 3.6 Service Charges shall be invoiced by the Supplier for each Service Period in arrears in accordance with the requirements of Part E.
- 3.7 If a Service Charge is to be calculated by reference to a Fixed Price pricing mechanism and the relevant Service:
- (i) commences on a day other than the first day of a month; and/or
  - (ii) ends on a day other than the last day of a month,

the Service Charge for the relevant Service Period shall be pro-rated based on the proportion which the number of days in the month for which the Service is provided bears to the total number of days in that month.

- 3.8 Any Service Credits that accrue during a Service Period shall be deducted from the Service Charges payable for the following Service Period. An invoice for a

Service Charge shall not be payable by the Buyer unless all adjustments (including Service Credits) relating to the Service Charges for the immediately preceding Service Period have been agreed.

- 3.9 Payment in monthly instalments in accordance with Table 2 in Annex 1.
- 3.10 The Buyer reserves the right to adjust Service Credit Payments and Incentivisation Payments on an annual basis.
- 3.11 The value of the Service Credits shall be subject to annual indexation

#### 4 EXPORT SERVICE HUB: ADDITIONAL VOLUMES

- 4.1 As per Clause 3.1, the volume of enquiries is split into 3 bands, only the First and Second bands are detailed in the table below:

Enquiries above Main Volume Band	Enquiry volume band
Export Service Hub: First Band	5,951 – 7,650
Export Service Hub: Second Band	7,651 – 8,500

4.2

#### 5 ADDITIONAL SERVICES

- 5.1 Fixed Price against a defined Rate Card (Time and Materials) to provide flexibility for Additional Services if needed.
- 5.2 The Buyer shall use the Variation Procedure to request a proposal and quote from the Supplier to carry out Additional Services.
- 5.3 The Supplier shall use the Rate Card provided in the Pricing Model Template as the basis of all quotes for Additional Services. The Buyer reserves the right to challenge proposals from the Supplier if the quote for work significantly differs from the scenarios in Attachment 1: Pricing Model Template.
- 5.4 The rates are subject to indexation as per Table 5.3
- 5.5 Additional Services:

(i) Where:

- (A) Services are to be charged using the Time and Materials for the Additional Services using the specified mechanism in Table 4 of Annex 1; and
- (B) the Buyer so agrees in writing.

the Supplier shall be entitled to be reimbursed by the Buyer for Reimbursable Expenses (in addition to being paid the relevant charges), provided that such Reimbursable Expenses are

supported by Supporting Documentation and align with the Buyer's Expense Policy.

- (ii) The Buyer shall provide a copy of its current Travel and Subsistence, should they be updated, to the Supplier upon request, current version in part F of attachments.
- (iii) Except as expressly set out in Paragraph 5.6, the Charges shall include all costs and expenses relating to the requested Additional Services and/or the Supplier's performance of its obligations under this Contract and the Variation Form and no further amounts shall be payable by the Buyer to the Supplier in respect of such performance, including in respect of matters such as:
  - (A) any incidental expenses that the Supplier incurs, including document and report reproduction, shipping, desktop and office equipment costs required by the Supplier Staff, including network or data interchange costs or other telecommunications charges; or
  - (B) any amount for any services provided or costs incurred by the Supplier prior to the Effective Date.

## **6 EXIT AND TERMINATION**

- 6.1 This includes the Exit plan and termination activities
- 6.2 The Supplier shall, within 3 months after the Effective Date, deliver to the Buyer an Exit Plan pursuant to Paragraph 4 of Schedule 24
- 6.3 Subject to adjustment depending on the final executed and agreed Exit Plan
- 6.4 Inflation will apply to rates used.

## PART C: ADJUSTMENTS TO THE CHARGES AND RISK REGISTER

### 1 PAYMENTS FOR DELAYS DUE TO BUYER CAUSE

1.1. If the Supplier is entitled in accordance with Clause 5.1 (*The Buyer's Obligation to the Supplier*) to compensation for failure to obtain Approval for a Deliverable by its Deliverable Date, then, subject always to Clause 11 (*How much you can be held responsible for*), such compensation shall be determined in accordance with the following principles:

(a) the compensation shall reimburse the Supplier for additional Costs incurred by the Supplier that the Supplier:

- (i) can demonstrate it has incurred solely and directly as a result of the Buyer Cause; and
- (ii) is, has been, or will be unable to mitigate, having complied with its obligations under Clause 5 (*The Buyer's Obligation to the Supplier*)

together with an amount equal to the Anticipated Contract Life Profit Margin thereon;

1. the compensation shall not operate so as to put the Supplier in a better position than it would have been in but for the occurrence of the Buyer Cause;

2. where the relevant Deliverable Payment is to be calculated based upon a Firm Price pricing mechanism, [REDACTED]  
[REDACTED]  
[REDACTED] and

3. where the Deliverable Payment includes any Charges which are capped, then to the extent that the compensation agreed pursuant to this Paragraph 2 results in the Buyer paying additional Time and Materials Charges for resources or effort which the Supplier demonstrates are required as a result of the Buyer Cause, such additional Time and Materials Charges shall be disregarded for the purposes of calculating the relevant cap.

(iii) The Supplier shall provide the Buyer with any information the Buyer may require in order to assess the validity of the Supplier's claim to compensation.

### 2 SERVICE CREDITS

2.1. Service Credits are applicable to all Service Charges.

2.2. Service Credits shall be calculated by reference to the number of Service Points accrued in any one Service Period pursuant to the provisions of Schedule 9 (Service Levels).

2.3. For each Service Period:

(a) the Service Points accrued shall be converted to a percentage deduction from the Service Charges for the relevant Service Period on the basis of [REDACTED] in the Service Charges; and

(b) the total Service Credits applicable for the Service Period shall be calculated in accordance with the following formula:

$$\frac{[REDACTED]}{[REDACTED]} \times [REDACTED]$$
$$= [REDACTED]$$

2.4. The liability of the Supplier in respect of Service Credits shall be subject to the Service Credit Cap provided that, for the avoidance of doubt, the operation of the Service Credit Cap shall not affect the continued accrual of Service Points in excess of such financial limit in accordance with the provisions of Schedule 9 (Service Levels).

2.5. Service Credits are a reduction of the Service Charges payable in respect of the relevant Services to reflect the reduced value of the Services actually received and are stated exclusive of VAT.

2.6. Service Credits shall be shown as a deduction from the amount due from the Buyer to the Supplier in the invoice for the Service Period immediately succeeding the Service Period to which they relate.

### 3 VARIATION TO CHARGES

3.1. Any Variation to the Charges shall be developed and agreed by the Parties in accordance with the Variation Procedure and on the basis that the Supplier Profit Margin on such Charges shall:

- (a) be no greater than that applying to Charges using the same pricing mechanism as at the Effective Date (as set out in the Contract Inception Report); and
- (b) in no event exceed the Maximum Permitted Profit Margin.

3.2. The Buyer may request that any Impact Assessment which presents the Variation without Indexation for the purposes of comparison.

3.3. The request of Additional Services, which falls outside of the Annual Buyer's Budget and/or Annual Buyer's Allowance will be requested using a Variation.

#### **4 Commissioning Template**

4.1. A Variation Form shall be completed and agreed by the Parties .

4.2. The Time and Material rates used for the proposal for Additional Services by the Supplier cannot exceed the Rate Card provided in Pricing Template

#### **5 INDEXATION**

5.1. Any amounts or sums in this Contract which are expressed to be "subject to Indexation" (in line with the charge elements that are fixed –please refer to Tables 2, 3, and 4 in Annex 1 and the table in this Paragraph 5) shall be adjusted in accordance with the provisions of this Paragraph 5 to reflect the effects of inflation.

5.2. Where Indexation applies, the relevant adjustment shall be:

- (a) applied on the first day of the second April following the Effective Date and on the first day of April in each subsequent year (each such date an "adjustment date"); and

- (b) [REDACTED]

- [REDACTED]

- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

(c) for rented or operating leased premises, the lower or equivalent of:

- (i) [REDACTED]
- [REDACTED]
- [REDACTED]

and where percentage changes in both the CPI and RPI have not resulted in an increase, indexation (inflation adjustment) will not be applicable as the effects of inflation has not resulted in a cost increase for the Supplier or Sub-contractors.

and in circumstances where this will result in an increase to the Charges, it shall seek the Buyer's prior written consent before implementing any such Permissible Increase and will provide the Buyer with such information as the Buyer may reasonably request to allow it to properly assess whether the proposal is reasonable and offers value for money to the Buyer.

5.3 The below table summarises the charge(s) that are allowable for inflation hence subject to indexation:

Charge Reference	Details	Applicable Index
ESH01	Export Service Hub: Main Band	

<b>ESH02</b>	Export Service Hub: Maintain Overseas Referral Network & Market Collateral (Ongoing Updates)	CPI- for Rate Cards  RPI- for rented or operating leased premises
<b>ESH03</b>	Export Service Hub: First Band	
<b>ESH04</b>	Export Service Hub: Second Band	
<b>EXT01</b>	Exit	
<b>ADD-01</b>	Additional Services (Rate Card)- 1	
<b>ADD-02</b>	Additional Services (Rate Card)-2	
<b>ADD-03</b>	Additional Services (Rate Card)-3	
<b>ADD-04</b>	Additional Services (Rate Card)-4	
<b>TERM01</b>	Termination- 1st Contract Year	
<b>TERM02</b>	Termination- 2nd Contract Year	
<b>TERM03</b>	Termination - 3rd Contract Year	

5.4 Except as set out in this Paragraph 5 and the table above; neither the Charges nor any other costs, expenses, fees or charges shall be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier or Sub-contractors of the performance of their obligations.

5.5 Where Indexation is outside of the ranges stipulated above, it will be considered by the Buyer on a case by case basis where justification and request are provided by the Supplier through the Variation Procedure. Acceptance of this further increase is at the sole discretion of the Buyer.

## **6 Incentivisation**

6.1. Incentivisation is summarised in Table 2 of Annex 2 and set out in more details in Schedule 9 (Service Levels).

## PART D: EXCESSIVE SUPPLIER PROFIT MARGIN

### 1 LIMIT ON SUPPLIER PROFIT MARGIN

- 1.1. The Supplier acknowledges that the Achieved Profit Margin applicable over the Contract Period shall not exceed the Maximum Permitted Profit Margin.
- 1.2. The Supplier shall include in each Annual Contract Report the Achieved Profit Margin as at the end of the Contract Year to which the Annual Contract Report is made up and the provisions of Paragraph 2 of Part B of Schedule 26 (Financial Reports and Audit Rights) shall apply to the approval of the Annual Contract Report.

### 2 ADJUSTMENT TO THE CHARGES IN THE EVENT OF EXCESS SUPPLIER PROFIT

- 2.1. If an Annual Contract Report demonstrates (or it is otherwise determined pursuant to Paragraph 2 of Part B of Schedule 26 (*Financial Reports and Audit Rights*)) that the Achieved Profit Margin as at the end of the Contract Year to which the Annual Contract Report is made up exceeds the Maximum Permitted Profit Margin:
  - (a) the Supplier shall, within 5 Working Days of delivery to the Buyer of the Annual Contract Report, propose such adjustments to the Charges as will ensure that the Achieved Profit Margin both over the next Contract Year to which the next Annual Contract Report will relate and over the Contract Period will not exceed the Maximum Permitted Profit Margin;
  - (b) the Buyer (acting reasonably) may agree or reject the proposed adjustments;
  - (c) if the Buyer rejects the proposed adjustments it shall give reasons and the Supplier shall propose revised adjustments within 10 Working Days of receiving those reasons; and
  - (d) if the Parties cannot agree such revised adjustments and the Buyer terminates this Contract by issuing a Termination Notice to the Supplier pursuant to Clause 10.4 (When the Buyer Can End the Contract)), then for the purpose of calculating any Termination Payment due to the Supplier, the Termination Notice shall be deemed to have been served as at the date of receipt by the Buyer of the relevant Annual Contract Report.
- 2.2. Pending agreement of a proposed adjustment to the Charges pursuant to this Part D, the Charges then in force shall continue to apply. Once the adjustments to the Charges are agreed in accordance with Paragraph 2.1, the Parties shall document the adjustment in a change control note and the adjusted Charges shall apply with effect from the first day of the Service Period that immediately follows the Service Period in which the change control note is executed or such other date as is specified in the change control note.

## PART E: INVOICING AND PAYMENT TERMS

### 1 SUPPLIER INVOICES

- 1.1. The Buyer shall accept for processing any electronic invoice that complies with the European Standard, provided that it is valid and undisputed.
- 1.2. If the Supplier proposes to submit for payment an invoice that does not comply with the European Standard the Supplier shall comply with the requirements of the Authority's e-invoicing system. In the alternative the Supplier shall:
  - (a) prepare and provide to the Buyer for approval of the format a template invoice within 10 Working Days of the Effective Date which shall include, as a minimum, the details set out in Paragraph 1.3 together with such other information as the Buyer may reasonably require to assess whether the Charges that will be detailed therein are properly payable; and
  - (b) make such amendments as may be reasonably required by the Buyer if the template invoice outlined in (b) is not approved by the Authority.
- 1.3. The Supplier shall ensure that each invoice contains the following information:
  - (a) the date of the invoice;
  - (b) a unique invoice number;
  - (c) the Service Period or other period(s) to which the relevant Charge(s) relate;
  - (d) the correct reference for this Contract;
  - (e) the reference number of the purchase order to which it relates (if any);
  - (f) the dates between which the Services subject of each of the Charges detailed on the invoice were performed;
  - (g) a description of the Services;
  - (h) the pricing mechanism used to calculate the Charges (such as Firm Price Fixed Price, Time and Materials etc);
  - (i) separate profit line displaying the profit made on charges and the profit margin
  - (j) any payments due in respect of Achievement of a Deliverable, including the Satisfaction Certificate number for each relevant Deliverable;
  - (k) the total Charges gross and net of any applicable deductions and, separately, the amount of any Reimbursable Expenses properly chargeable to the Buyer under the terms of this Contract, and,

separately, any other sales tax payable in respect of each of the same;

- (l) details of any Service Credits or Delay Payments or similar deductions that shall apply to the Charges detailed on the invoice;
- (m) reference to any reports required by the Buyer in respect of the Services to which the Charges detailed on the invoice relate (or in the case of reports issued by the Supplier for validation by the Authority, then to any such reports as are validated by the Buyer in respect of the Services);
- (n) a contact name and telephone number of a responsible person in the Supplier's finance department in the event of administrative queries;
- (o) the banking details for payment to the Supplier via electronic transfer of funds (i.e. name and address of bank, sort code, account name and number);
- (p) where the Services have been structured into separate Service lines, the information at (a) to (n) of this paragraph 1.3 shall be broken down in each invoice per Service line;
- (q) variance analysis where there has been deviation from the forecast (to be reported each month when & where applicable);
- (r) Fee at Risk breakdown; and
- (s) Appendices with supporting information including but not limited to headcount costs, sub-contractor costs breakdown (if applicable), expense details when incurred in line with Buyer's expenses policy and included **in the fixed charges or time and materials charges.**

1.4. The Supplier shall invoice the Buyer in respect of Services in accordance with the requirements of Part B. The Supplier shall first submit to the Buyer a draft invoice setting out the Charges payable. The Parties shall endeavour to agree the draft invoice within 5 Working Days of its receipt by the Authority, following which the Supplier shall be entitled to submit its invoice.

1.5. Each invoice shall at all times be accompanied by Supporting Documentation. Any assessment by the Buyer as to what constitutes Supporting Documentation shall not be conclusive and the Supplier undertakes to provide to the Buyer any other documentation reasonably required by the Buyer from time to time to substantiate an invoice.

1.6. Upon agreement on the final invoice, the Supplier shall submit all invoices and Supporting **Documentation(s)** to:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]

with a copy (again including any Supporting Documentation) to such other person and at such place as the Buyer may notify to the Supplier from time to time.

- (a) All Supplier invoices shall be expressed in sterling as shall be permitted by the Buyer in writing.
- (b) Unless explicitly agreed with the Buyer, the Supplier shall bear all exchange rate risks associated with the Services being delivered in outside of the UK.
- (c) The Buyer shall regard an invoice as valid only if it complies with the provisions of this Part E. Where any invoice does not conform to the Buyer's requirements set out in this Part E, the Buyer shall promptly return the disputed invoice to the Supplier and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.

1.8 If the Buyer fails to consider and verify an invoice in accordance with paragraphs 1.4 and 1.8, the invoice shall be regarded as valid and undisputed for the purpose of paragraph 2.1 [*Payment in 30 days*] after a reasonable time has passed.

## **2 PAYMENT TERMS**

- 2.1. Subject to the relevant provisions of this Schedule, the Buyer shall make payment to the Supplier within 30 days of verifying that the invoice is valid and undisputed.
- 2.2. Unless the Parties agree otherwise in writing, all Supplier invoices shall be paid in sterling by electronic transfer of funds to the bank account that the Supplier has specified on its invoice.

## PART F: ATTACHMENTS

### **1 ATTACHMENTS**

1.1. The following attachments form Schedule 3 (Charges and Invoicing):

- (a) Attachment 1: Pricing Model Template
- (b) Attachment 2: Buyer's Travel and Subsistence Policy
- (c) Attachment 3: Supplier's Depreciation Policy



**ATTACHMENT 2: Buyer's Travel and Subsistence Policy**

Please see following page for the Travel and Subsistence Policy.

## TRAVEL & SUBSISTENCE

### Department for International Trade – Travel and Expenses Policy 2017

#### 1. Introduction

The nature of DIT's business means that Contractors may have to travel both in the UK and overseas and this manual provides details of the principles, rules and procedures relating to travel and expenses.

Contractors working for DIT are expected to adhere to guidelines contained within, which are similar to DIT staff.

#### Underlying Principles

- DIT trusts and expects the appointed Contractor, their staff or sub-contractors to make appropriate and justifiable spending decisions, weighing up the balance between value for money, public perception and business benefits
- No appointed Contractor, their staff or sub-contractors should either benefit or be out of pocket because of undertaking business on behalf of DIT. Travel and subsistence claims should be based on receipted costs incurred because of travel
- The appointed Contractor, their staff or sub-contractors should only travel on Departmental business if this is necessary. Consider whether the business could be conducted by phone, teleconference, video conference or web conference
- If a journey is necessary, the appointed Contractor, their staff or sub-contractors should identify the most cost-effective way of travelling. Planning journeys well in advance, especially by air, can result in much lower costs
- If a number of people are travelling together, the appointed Contractor, their staff or subcontractors should examine whether it is cheaper to travel as a group, and think hard about how many people really need to go.
- Only costs that are necessary and additional to normal daily expenditure should be reimbursed.

#### 2. Air Travel

The appointed Contractor, their staff or sub-contractors are expected to book the lowest logical fare available – if there are other more expensive fares available within policy these are still bookable but require a reason explaining why the lowest fare was not booked.

Flying Time (per flight)		Class of Travel
Up to 5 hours		All journeys at public expense: Economy
Over 5 hours		All journeys at public expense: Economy (but see * below)

Over 10 hours	All journeys at expense: Business (subject to prior agreement with the Authority)
------------------	-----------------------------------------------------------------------------------

\* Subject to approval by the Authority the next higher class (but not first class) may be used:

- where strict application of the class-of-travel rules would not be cost effective
- for short duty visits out and back in a working day - The appointed Contractor, their staff or sub-contractors are not entitled if they stay overnight
- when bookings are not available in the lower class and the timing or date of the journey cannot be changed
- if the appointed Contractor, their staff or sub-contractors will be required to work immediately on arrival
- on disability/medical grounds recognised by the Authority.

All flights must be booked at set dates; no open return tickets may be booked.

Air travel should not normally be used within the UK, although there is an exception for travel to/from Scotland and Northern Ireland.

Air travel in the UK must be by economy class.

The appointed Contractor, their staff or sub-contractors are not allowed to use for personal journeys, Air Miles, free tickets or upgrade vouchers which have accrued through travel which has been paid for from public funds. However, such Air Miles, free tickets or upgrade vouchers may be used for official travel on behalf of the Authority.

### **3. Rail Travel**

For rail travel (including Eurostar) the appointed Contractor, their staff or sub-contractors should travel standard class unless for example they have a disability or health condition that would make this unreasonable.

Tickets should be purchased in advance to minimise costs.

### **4. Taxis**

Use of taxis is expected only where there is a clear value for money or business justification, unless the appointed Contractor, their Staff or sub-contractor has a temporary or permanent disability and has been advised that taking a taxi is a 'reasonable adjustment' or for safety and security reasons.

Some examples where taxi travel might be considered appropriate include:

- there were no other reasonable public transport options (for example: travel to a location not served by a bus or train route)
- it was the most cost-effective way of undertaking the journey – for instance sharing the taxi with colleagues would made it cheaper than other public transport options
- for personal safety reasons

Examples of scenarios where it might be considered inappropriate to take a taxi include:

- there were cheaper public transport options which incurred only a modest additional travel time
- public transport involved changing mode of transport (for example: a train and a bus)
- failure to leave sufficient time to make the journey by foot or public transport

It is expected that appointed Contractor, their Staff or sub-contractor will use public transport for travel within London and the use of taxis should only be undertaken by exception.

The principles set out for UK travel equally apply for taxi travel overseas.

## **5. Private & Hire Vehicles**

The appointed Contractor, their staff or sub-contractors are expected to use public transport where this is reasonable and should only use their own vehicle or a hire car where a business need has been agreed in advance by the Authority.

Some examples of scenarios where a private vehicle might be considered appropriate include:

- there were no reasonable public transport options, for example: travel to a location not served by a bus or train route and too far from either to justify use of a taxi
- visits to a number of poorly-served locations in one day, where the cumulative cost of taxis would be significant

This is not only because of the environmental impact of using private transport, but also in terms of staff welfare.

## **6. Hotel Bookings**

The Authority's limits for hotel bookings in the UK are:

- London - £135 and
- Outside London - £85.

### **ATTACHMENT 3: Supplier's Depreciation Policy**

#### OCO Global Depreciation Policy

We write the value of our laptops and computer equipment down to zero over 5 years. Employees receive new hardware at the latest after five years of use.





	[REDACTED] [REDACTED]		
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]

ANNEX 2: PRICING ADJUSTMENTS

[REDACTED]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

### ANNEX 3: PRO-FORMA CERTIFICATE OF COSTS

I **[name of CFO or Director of Finance or equivalent as agreed in advance in writing with the Authority]** of **[insert name of Supplier]**, certify that the financial information provided as part of this Certificate of Costs, incurred in relation to the **[insert name/reference for the Contract]** (the “Contract”) in relation to the following [Deliverable]:

**[Insert details of Deliverable]**

- 1 has been reasonably and properly incurred in accordance with [*name of Supplier*]’s books, accounts, other documents and records;
- 2 is accurate and not misleading in all key respects; and
- 3 is in conformity with the Contract, the costs and rates outlined in the attached Pricing Model Template, and with all generally accepted accounting principles within the United Kingdom.

Signed [**Director of Finance or equivalent**]

**[Name of Supplier]**

## **Schedule 4 (Tender)**

\_\_\_\_\_



\_\_\_\_\_

## **Schedule 5 (Commercially Sensitive Information)**

1. [Redacted]

1.1 [Redacted]

1.2 [Redacted]

1.3 [Redacted]

[Redacted]

## **Schedule 6 (Reports and Records Provisions)**

## Reports and Records Provisions

### 2 TRANSPARENCY REPORTS

- 2.1 Within three (3) months of the Effective Date the Supplier shall provide to the Buyer for its approval (such approval not to be unreasonably withheld or delayed) draft reports in accordance with Annex 1 (once approved, the “**Transparency Reports**”).
- 2.2 If the Buyer rejects any draft Transparency Report, the Supplier shall submit a revised version of the relevant report for further approval by the Buyer within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Buyer. If the Parties fail to agree on a draft Transparency Report the Buyer shall determine what should be included.
- 2.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Buyer at the frequency referred to in Annex 1.
- 2.4 Any disagreement in connection with the preparation and/or approval of Transparency Reports, other than under paragraph 2.2 above in relation to the contents of a Transparency Report, shall be treated as a Dispute.
- 2.5 The requirements for Transparency Reports are in addition to any other reporting requirements in this Contract.

### 3 OTHER REPORTS

The Buyer may require any or all of the following reports:

- (a) delay reports;
- (b) reports relating to tests carried out under Schedule 13 (*Security*) and Schedule 12 (*Business Continuity and Disaster Recovery*);
- (c) reports which the Supplier is required to supply as part of the management information required by Schedule 2 (*Specification*);
- (d) annual reports on the Insurances;
- (e) security reports; and
- (f) Force Majeure Event reports.

### 4 RECORDS

- 4.1 The Supplier shall retain and maintain all the records (including superseded records) referred to in Paragraph 1 and Annex 1 (together “**Records**”):
  - (a) in accordance with the requirements of The National Archives and Good Industry Practice;

- (b) in chronological order;
  - (c) in a form that is capable of audit; and
  - (d) at its own expense.
- 4.2 The Supplier shall make the Records available for inspection to the Buyer on request, subject to the Buyer giving reasonable notice.
- 4.3 Where Records are retained in electronic form, the original metadata shall be preserved together with all subsequent metadata in a format reasonably accessible to the Buyer.
- 4.4 The Supplier shall, during the Contract Period and a period of at least 7 years following the expiry or termination of this Contract, maintain or cause to be maintained complete and accurate documents and records in relation to the provision of the Services including but not limited to all Records.
- 4.5 Records that contain financial information shall be retained and maintained in safe storage by the Supplier for a period of at least 7 years after the expiry or termination of this Contract.
- 4.6 Without prejudice to the foregoing, the Supplier shall provide the Buyer:
- (a) as soon as they are available, and in any event within 60 Working Days after the end of the first 6 months of each financial year of the Supplier during the Contract Period, a copy, certified as a true copy by an authorised representative of the Supplier, of its un-audited interim accounts and, if applicable, of consolidated un-audited interim accounts of the Supplier and its Affiliates which would (if the Supplier were listed on the London Stock Exchange (whether or not it is)) be required to be sent to shareholders as at the end of and for each such 6 month period; and
  - (b) as soon as they shall have been sent to its shareholders in order to be laid before an annual general meeting of the Supplier, but not later than 130 Working Days after the end of each accounting reference period of the Supplier part or all of which falls during the Contract Period, the Supplier's audited accounts and if applicable, of the consolidated audited accounts of the Supplier and its Affiliates in respect of that period together with copies of all related directors' and auditors' reports and all other notices/circulars to shareholders.

## 5 Virtual Library

- 5.1 The Supplier shall, no later than eight (8) weeks prior to the Operational Commencement Date and without charge to the Buyer, create a Virtual Library on which the Supplier shall (subject to any applicable legislation governing the use or processing of personal data) make information about this Contract available in accordance with the requirements outlined in this Schedule.

- 5.2 The Supplier shall ensure that the Buyer and any Audit Agent shall have access to the Virtual Library (“**Access Permission**”).
- 5.3 The Supplier shall ensure that the Virtual Library is:
- (a) capable of holding and allowing access to the information described in Annex 3 of this Schedule and includes full and accurate file details of all uploaded items including date and time of upload, version number and the name of the uploader;
  - (b) structured so that each document uploaded has a unique identifier which is automatically assigned;
  - (c) readily accessible by the Buyer at all times in full via a user-friendly, password protected interface to such nominated users as are notified to the Supplier by the Buyer from time to time;
  - (d) structured so as to allow nominated users to download either specific documents or the complete Virtual Library (to the extent it has Access Permission) in bulk and store and view the content offline (on a regular and automated basis);
  - (e) structured and maintained in accordance with the security requirements as set out in this Contract including those set out in Schedule 13 (Security);
  - (f) created and based on open standards in Schedule 2 (Specification); and
  - (g) backed up on a secure off-site system.
- 5.4 For the avoidance of doubt, the Virtual Library (excluding any software used to host it) shall form a database which constitute New IPR which shall be assigned to the Buyer pursuant to Clause 9.2 (Intellectual Property Rights) of this Contract.
- 5.5 The Supplier shall upload complete and accurate information specified in Annex 3 by the Initial Upload Date (except where prior to the launch of the Virtual Library in which case by the date at which the Virtual Library is made available in accordance with Paragraph 5.1) onto Virtual Library in the format specified.
- 5.6 Upon any document being uploaded to the Virtual Library, and where the Buyer has been granted Access Permission to that document, the Supplier shall email on the same date as the upload, a copy of the document to the nominated Buyer email address at:

EISS-marketengagement@trade.gov.uk

- 5.7 Except for notices under Clause 25.3 (How to communicate under the Contract), where the Supplier is under an obligation to provide information to the Buyer in a provision under this Contract, then the Supplier's upload of that information onto the Virtual Library shall satisfy the Supplier's obligation to provide the Buyer with that information provided that the Buyer has access in accordance with this Paragraph 5 and the uploaded information meets the requirements more particularly specified in the relevant provision.
- 5.8 Except to the extent that the requirements provide for earlier and more regular Buyer access to up-to-date information, Annex 3 shall not take precedence over any other obligation to provide information in this Contract and the Supplier shall refer to the applicable clause for further details as to the requirement.
- 5.9 The Supplier shall provide each specified person (as set out in column 6 of the table at Annex 3) access to view and download the specified information in the Virtual Library in Annex 3 subject upon the occurrence of the event specified in the column marked Access Permission in Annex 3 to this Schedule.
- 5.10 Where Access Permission is not listed (in column 6 of the table at Annex 3) as being subject to the occurrence of a certain event the Supplier shall grant access to the person and information specified (in column 6 of the table at Annex 3) from the Initial Upload Date.
- 5.11 Where Access Permission is specified as being granted to the Buyer's Audit Agent (prior to the Buyer being granted access) it shall:
- (a) be entitled to access, view and download information specified in Annex 3 subject to it entering into a confidentiality agreement with the Supplier to keep the contents confidential (except to the extent disclosure of the confidential information is required under paragraph 5.11(b) of this Schedule); and
  - (b) report to the Buyer (at its request) as to the completeness and accuracy of the information but not the substance of the information.
- 5.12 The Supplier shall ensure that the Virtual Library retains in an accessible form all historic or superseded records of the information specified Annex 3. In order to maintain the integrity of the historic archive of the information and documentation and for the purposes of maintaining a clear audit trail, the Supplier shall not delete or overwrite any information that has been stored in the Virtual Library, except for the purposes of maintenance (provided no information is lost during maintenance) or to enable the Supplier to comply with Data Protection Legislation.
- 5.13 The Supplier warrants that the information uploaded to the Virtual Library is accurate, complete, up-to-date and in accordance with this Contract at the date of upload.

- 5.14 Where the Supplier becomes aware that any of the information provided on the Virtual Library is materially inaccurate, incomplete or out of date (other than in respect of historic versions of documents) the Supplier shall provide an update to the information within 14 days unless already due to be updated beforehand due to an Update Requirement specified in Annex 3.
- 5.15 In the event of a conflict between any requirement in this Contract (excluding Annex 3) for the Supplier to provide information to the Buyer and the requirements set out in Annex 3 of this Schedule, the requirement elsewhere in this Contract shall prevail.
- 5.16 The Supplier shall ensure that all approved users of the Virtual Library are alerted by email each time that information in the Virtual Library is uploaded or updated as it occurs.
- 5.17 No later than one (1) Month prior to the Operational Commencement Date, the Supplier shall provide training manuals to the Buyer relating to the use of the Virtual Library.
- 5.18 On request by the Buyer the Supplier shall provide the Buyer's nominated users with a reasonable level of training and ongoing support to enable them to make use of the Virtual Library.
- 5.19 For the avoidance of doubt, the cost of any redactions, access restrictions or compliance with the Data Protection Legislation in respect of the information hosted on the Virtual Library shall be at the Supplier's own cost and expense.

ANNEX 1: TRANSPARENCY REPORTS

TITLE	CONTENT	FORMAT	FREQUENCY
<p>Monthly Report / Data Return</p>	<p>Volume of referrals received by source (eg specify which UK Region or details of other referral source)</p> <p>Volume of referred businesses receiving Export Support Service (as defined in Schedule 2) with detail of:</p> <ol style="list-style-type: none"> <li>1. what service was provided (Market Advice / Source In-Market Services / Coordinate and or deliver In-Market Services)</li> <li>2. which Country / State the support was provided for</li> <li>3. UK business sector of operation</li> </ol> <p>Volume of businesses referred deemed not Export Ready (as defined in Schedule 2) together with justification</p>	<p>CSV file (see Annex 5 Sample Data Report)</p>	<p>Monthly</p>

	<p>Volume, nature and cost of chargeable services delivered by Supplier</p> <p>Volume of validated providers in the Overseas Referral Network(as defined in Schedule 2) segmented by discipline</p> <p>Volume, nature and cost (where delivered by the Supplier) of chargeable services delivered by Supplier as part of the Overseas Referral Network</p> <p>List of Market Intelligence Reports produced, with version numbers and dates of last update</p> <p>Volume of Export Wins (as defined in Schedule 2) recorded or supported</p> <p>Volume of Export Opportunities (as defined in Schedule 2) uploaded onto DIT Portal</p>		
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	<p>List of marketing campaigns specifically supported</p> <p>Volume, nature and source of any complaints received, which organisation they are against and action taken</p>		
<i>(Charges)</i>	Any information in Schedule 3 that is not Commercially Sensitive Information that is necessary for the Buyer to meet its transparency obligations		
<i>(Key sub-contractors)</i>	Any changes to Sub-contractors as set out in Schedules 22		
<i>(Technical)</i>	Any changes to software		
<i>(Performance management)</i>	<p>Changes in any key personnel as set out in Schedule 23 (Key Supplier Staff)</p> <p>Delivery against Implementation Plan (Schedule 8)</p> <p>No and nature of any complaints received</p>		

## ANNEX 2: RECORDS TO BE KEPT BY THE SUPPLIER

The records to be kept by the Supplier are:

1. This Contract, its Schedules and all amendments to such documents.
2. All other documents which this Contract expressly requires to be prepared.
3. Records relating to the appointment and succession of the Supplier Representative and each member of the Key Personnel.
4. Notices, reports and other documentation submitted by any Expert.
5. All operation and maintenance manuals prepared by the Supplier for the purpose of maintaining the provision of the Services t.
6. Documents prepared by the Supplier or received by the Supplier from a third party relating to a Force Majeure Event.
7. All formal notices, reports or submissions made by the Supplier to the Buyer Representative in connection with the provision of the Services.
8. All certificates, licences, registrations or warranties in each case obtained by the Supplier in relation to the provision of the Services.
9. Documents prepared by the Supplier in support of claims for the Charges.
10. Documents submitted by the Supplier pursuant to the Variation Procedure.
11. Documents submitted by the Supplier pursuant to invocation by it or the Buyer of the Dispute Resolution Procedure.
12. Documents evidencing any change in ownership or any interest in any or all of the shares in the Supplier and/or the Guarantor, where such change may cause a change of Control; and including documents detailing the identity of the persons changing such ownership or interest.
13. Invoices and records related to VAT sought to be recovered by the Supplier.
14. Financial records, including audited and un-audited accounts of the Guarantor and the Supplier.
15. Records required to be retained by the Supplier by Law, including in relation to health and safety matters and health and safety files and all consents.
16. All documents relating to the insurances to be maintained under this Contract and any claims made in respect of them.
17. All journals and audit trail data referred to in Schedule 13 (*Security*).
18. All other records, notices or certificates required to be produced and/or maintained by the Supplier pursuant to this Contract

## ANNEX 3: RECORDS TO UPLOAD TO VIRTUAL LIBRARY

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Cl.5.2	Notice of Buyer Cause	Cl.25,	Within 10 working days of becoming aware of Buyer Cause	-	Buyer
Cl.6.1	Progress Reports	As appropriate and agreed by the Authority	Effective Date	Weekly	Buyer
Cl.7.4	List of Supplier Staff	Cl.7.4	Cl.7.4	-	Buyer
Cl.10.4.2	Rectification Plan	As defined	Cl.10.4.2	At Buyer request	Buyer
Cl.10.6	Reminder Notice	Cl.25, Cl.10.6	Buyer fails to pay undisputed invoice	-	Buyer
Cl.14.5	Notice of Data Loss	Cl.14.5	Cl.14.5	-	Buyer
Cl.15.1	Confidential Information	Cl.25, Cl.15.1	Cl.15.1	-	Buyer
Cl.16.1	Request for Information	Cl.16.1	Within 48 hrs of receipt	-	Buyer
Cl.20.1	Force Majeure Notice	Cl.25	Cl.20.1 -	-	Buyer
Cl.24.2	Impact Assessment	As defined	With Variation request/within time limit	As agreed by the Authority	Buyer

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
			specified in Authority request		
Cl.27.2	Records	As appropriate and agreed by the Authority	At request of the Authority	-	Buyer
Cl.27.2	Certificate of Compliance	Cl.27.2	Within 20 days of the Start Date	Annually	Buyer
Cl.27.3	Notice of breach	Cl.25	Cl.27.3	-	Buyer
Cl.31.2	Notice of Occasion of Tax Non-Compliance	Cl.25	Within 20 days of Occasion of Tax Non-Compliance	-	Buyer
Cl.32.2	Notice of Conflict of Interest	Cl.25, Cl.32.2	Cl.32.2	-	Buyer
Cl.33.1	Notice of Breach	Cl.33.1	Cl.33.1	-	Buyer
Cl.34.1	Dispute Request	Cl.34.1	Cl.34.1	-	Buyer
Sch. 3, Part A, para. 5.1(b)	Direct Employment Costs increase request	Sch. 3, Part A, para. 5.1(b)	Sch. 3, Part A, para. 5.1(b)	-	Buyer
Sch 3, Part E Para 1.1	Template Invoice	As appropriate and agreed by the Buyer	Within 10 working days of the Effective Date	Upon agreement by the Buyer to vary the template	Buyer
Sch. 5	Commercially Sensitive Information	Sch 5	Effective Date	Upon agreement by the	Buyer

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
				Buyer to vary the information	
Sch 6 Para 1	Reports and Records Provisions	Sch 6, Annex 1	Within 3 months of the Start Date	Frequency specified in Sch 6, Annex 1	Buyer
Sch 7, Part E, Para 1.1	Supplier's Provisional Supplier Personnel List and Staffing Information	As appropriate and agreed by the Buyer	Sch 7, Para 1.1 A-D	At such intervals as are reasonably requested by the Buyer	Buyer
Sch 7, Part E, Para 1.2	Supplier's Final Supplier Personnel List	As appropriate and agreed by the Buyer	At least 20 Working Days prior to the Service Transfer Date	Upon any material change to the list of employees	Buyer and, at the discretion of the Buyer, the Replacement Supplier and/or any Replacement Subcontractor
Sch 7, Part E, Para 1.6	Information relating to the manner in which the services are organised	As appropriate and agreed by the Buyer	Effective Date		Buyer
Sch. 8, Part A, Para. 2	Implementation Plan	As agreed by the Buyer	Within 20 days of the Effective Date	Update on regular basis in accordance with Buyer instructions	Buyer
Sch. 8, Part A, Para.4	Names of Supplier Staff and security documentation	As agreed by the Buyer	Effective Date	Update on replacement of Staff	Buyer

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch. 8, Part A, Para.8.5.5	Risk Register	As agreed by the Buyer	Effective Date	As required	Buyer
Sch.11	Board minutes and supporting information	As agreed by the Buyer	Within 7 days of receipt from chairperson	-	Buyer
Sch.12, Para.2	BCDR Plan	Para 2.2, Sch. 14	Within 90 days from the Effective Date	Para 6.1.1, Sch. 14	Buyer
Sch.12, Para.6.3	Review Report	Para. 6.3, Sch. 14	Within 20 days of a BCDR Review	As required	Buyer
Sch.12, Para. 7.5,	Report of testing	Para. 7.5, Sch. 14	Para. 7, Sch. 14	Para. 7, Sch. 14	Buyer
Sch 13, Para 4	Core Information Management System Diagram	Sch 16, Annex 2	Operational Commencement Date	Any update, annually and after any of the events in para 6.13	Buyer
Sch 13, Para 6	Risk Management Documentation	Sch 16, Annex 3	Operational Commencement Date	Any update, annually and after any of the events in Schedule 15, para 6.13 of	Buyer
Sch. 14, para.3.1	Supply chain Information Reports	Sch 14, para. 3.1	Sch 14, para. 3.1	Sch 14, para. 3.1	Buyer
Sch 16, Para 4	Evidence of Insurances	Sch 16	Effective Date	Within 15 days after policy renewal or replacement	Buyer
Sch. 18 Para 2.3(b)	Financial Indicator Reports	Sch 18 para 2.5	As specified in para 2.3(b) of Sch 18	As specified in	Buyer

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
				para 2.3(b) of Sch 18	
Sch. 18 Para 4.3(b)	Financial Distress Remediation Plan	As appropriate and agreed by the Buyer	As soon as reasonably practicable and in any event within 10 Working Days of initial notification or awareness of a Financial Distress Event	On a regular basis (not less than fortnightly)	Buyer
Sch.23 Key Supplier Staff	Notice of change in Key Personnel	Cl.25, para.1.5	As soon as reasonably practical	-	Buyer
Sch.22, para.1.3 & 1.4	Information	Sch.22, para.1.3 and 1.4	Sch.22, 1.2	-	Buyer
Sch 24, Para 2.1 (a)	Register of All Assets, Sub-contracts and Other Relevant Agreements	As appropriate and agreed by the Buyer	Within 3 months of the Effective Date	Any variation	Buyer
Sch 24, Para 2.1 (b)	Configuration Database of Technical Infrastructure and Operating Procedures	As appropriate and agreed by the Buyer	Within 3 months of the Effective Date	Any variation	Buyer
Sch 24, Para 3.1	Exit Information	As appropriate and agreed by the Buyer	On reasonable notice given by the Buyer at any point during the Term	Within 10 working days of Buyer's written request	Buyer and its potential Replacement Suppliers

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 24, Para 4.1	Exit Plan	Sch 30, Para 4.3	Within 3 months of the Effective Date	In the first month of each contract year, and within 14 days if requested by the Buyer following a Financial Distress Event Within 20 days after service of Termination Notice or 6 months prior to expiry of the Contract.	Buyer
Sch 24, Para 5.7 (b)	Buyer Data (handback)	Sch 8.4, Para 3 and/or as appropriate and agreed by the Buyer	At the end of the Termination Assistance Period	-	Buyer
Sch 24, Annex 1, Para 1, Para 1.3 & Para 1.4	Termination Services supporting documentation and knowledge transfer material	As appropriate and agreed by the Buyer	As specified in the Termination Assistance Notice and in any event prior to the end of the Termination Assistance Period	As specified in the Termination Assistance Notice or otherwise requested by the Buyer	

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 25, Part B, para 1.2	Contract Amendment Report	Sch 25, Part B, para 1.2	Within 1 month of a material change being agreed		Buyer
Sch 25	Quarterly Contract Report	Sch 25, Part B, para 1.2	Within 1 month of the end of each Quarter		Buyer
Sch 25, Part B, para 1.2	Annual Contract Report	Sch 25, Part B, para 1.2	Within 1 month of the end of the Contract Year to which that report relates		Buyer
Sch 25 Part B, para 1.2	Financial Reconciliation Report	Sch 25, Part B, para 1.2	Within 6 months after the end of the Term		Buyer
Sch 25, Part B, para 1.2	Contract Amendment Report	Sch 25, Part B, para 1.2	Within 1 month of a material change being agreed		Buyer

ANNEX 4: SUPPLY CHAIN TRANSPARENCY INFORMATION TEMPLATE

	Financial Year 20[ ]			
	Under this Contract		Supplier as a whole	
	£	%	£	%
Estimated total contract revenue (£) to be received in this Financial Year	£[ ]	100%	£[ ]	100%
Total value of Sub-contracted revenues (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]
Total value of Sub-contracted revenues to SMEs (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]
Total value of Sub-contracted revenues to VCSEs (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]



## **Schedule 7 (Staff Transfer)**

## 2. DEFINITIONS

- 2.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## 3. INTERPRETATION

Where a provision in this Schedule imposes any obligation on the Supplier including (without limit) to comply with a requirement or provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Sub-contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Buyer, Former Supplier, Replacement Supplier or Replacement Sub-contractor, as the case may be and where the Sub-contractor fails to satisfy any claims under such indemnities the Supplier will be liable for satisfying any such claim as if it had provided the indemnity itself.

## 4. Which parts of this Schedule apply

- 4.1 Only the following parts of this Schedule shall apply to this Contract:

- Part C (No Staff Transfer On Start Date)
- [Part D (Pensions) ]
  - [- Annex D1 (CSPS) ]
  - [- Annex D2 (NHSPS) ]
  - [- Annex D3 (LGPS) ]
  - [- Annex D4 (Other Schemes) ]
- Part E (Staff Transfer on Exit)

- 4.2 In addition, the Supplier confirms that it has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Buyer before the Effective Date) of all relevant details relating to Former Supplier employees located outside of the UK and will not hold the Buyer liable for any Employee Liabilities arising as a result of such Former Supplier employees transferring to the Supplier (other than by way of Relevant Transfer as provided for in Schedule 7).

1. PART A: STAFF TRANSFER AT THE START DATE

2. OUTSOURCING FROM THE BUYER

**5. What is a relevant transfer**

5.1 The Buyer and the Supplier agree that:

5.1.1 the commencement of the provision of the Services or of each relevant part of the Services will be a Relevant Transfer in relation to the Transferring Buyer Employees; and

5.1.2 as a result of the operation of the Employment Regulations, the contracts of employment between the Buyer and the Transferring Buyer Employees (except in relation to any terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or any Sub-Contractor and each such Transferring Buyer Employee.

5.1.3 The Buyer shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Buyer Employees in respect of the period arising up to (but not including) the Relevant Transfer Date including (without limit) the payment of all remuneration, benefits, entitlements, PAYE, national insurance contributions and pension contributions.

**6. Indemnities the Buyer must give**

6.1 Subject to Paragraph 2.2, the Buyer shall indemnify the Supplier and any Sub-contractor against any Employee Liabilities arising from or as a result of any act or omission by the indemnifying party in respect of any Transferring Buyer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Buyer Employee occurring before the Relevant Transfer Date.

6.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-contractor whether occurring or having its origin before, on or after the Relevant Transfer Date.

6.3 Subject to Paragraphs 2.4 and 2.5, if any employee of the Buyer who is not identified as a Transferring Buyer Employee claims, or it is determined in relation to any employees of the Buyer, that his/her contract of employment has been transferred from the Buyer to the Supplier and/or any Sub-contractor pursuant to the Employment Regulations then -

6.3.1 the Supplier will, within 5 Working Days of becoming aware of that fact, notify the Buyer in writing;

6.3.2 the Buyer may offer employment to such person, or take such other steps as it considers appropriate to resolve the matter, within 10 Working Days of receipt of notice from the Supplier;

- 6.3.3 if such offer of employment is accepted, the Supplier shall immediately release the person from its employment;
- 6.3.4 if after the period referred to in Paragraph 2.3.2 no such offer has been made, or such offer has been made but not accepted, the Supplier may within 5 Working Days give notice to terminate the employment of such person;

and subject to the Supplier's compliance with Paragraphs 2.3.1 to 2.3.4 the Buyer will indemnify the Supplier and/or the relevant Sub-contractor against all Employee Liabilities arising out of the termination of the employment of any of the Buyer's employees referred to in this Paragraph 2.3.

6.4 The indemnity in Paragraph 2.3 shall not apply to any claim:

6.4.1 for discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief or equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees in relation to any alleged act or omission of the Supplier and/or any Sub-contractor; or

6.4.2 any claim that the termination of employment was unfair because the Supplier and/or any Sub-contractor neglected to follow a fair dismissal procedure.

6.5 The indemnity in Paragraph 2.3 shall not apply to any termination of employment occurring later than 3 Months from the Relevant Transfer Date.

6.6 If the Supplier and/or any Sub-contractor at any point accept the employment of any person as is described in Paragraph 2.3, such person shall be treated as having transferred to the Supplier and/or any Sub-contractor and the Supplier shall comply with such obligations as may be imposed upon it under applicable Law.

## **7. Indemnities the Supplier must give and its obligations**

7.1 Subject to Paragraph 3.2, the Supplier shall indemnify the Buyer against any Employee Liabilities arising from or as a result of any act or omission by the Supplier or any Sub-contractor in respect of any Transferring Buyer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Buyer Employee whether occurring before, on or after the Relevant Transfer Date.

7.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Buyer whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Buyer's failure to comply with its obligations under the Employment Regulations.

7.3 The Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Buyer Employees, from (and including) the Relevant Transfer Date

including (without limit) the payment of all remuneration, benefits, entitlements, PAYE, national insurance contributions and pension contributions and any other sums due under Part D: Pensions.

## **8. Information the Supplier must provide**

The Supplier shall promptly provide to the Buyer in writing such information as is necessary to enable the Buyer to carry out its duties under regulation 13 of the Employment Regulations. The Buyer shall promptly provide to the Supplier in writing such information as is necessary to enable the Supplier and any Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

## **9. Cabinet Office requirements**

- 9.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.
- 9.2 The Supplier shall comply with any requirement notified to it by the Buyer relating to pensions in respect of any Transferring Buyer Employee as set down in (i) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007; (ii) HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999; (iii) HM Treasury's guidance "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or (iv) the New Fair Deal.
- 9.3 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 5.1 or 5.2 shall be agreed in accordance with the Variation Procedure.

## **10. Pensions**

- 10.1 The Supplier shall comply with:
- 10.1.1 all statutory pension obligations in respect of all Transferring Buyer Employees; and
  - 10.1.2 the provisions in Part D: Pensions.

3. PART B: STAFF TRANSFER AT THE START DATE
4. TRANSFER FROM A FORMER SUPPLIER ON RE-PROCUREMENT

### **1. What is a relevant transfer**

- 1.1 The Buyer and the Supplier agree that:
  - 1.1.1 the commencement of the provision of the Services or of any relevant part of the Services will be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and
  - 1.1.2 as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10(2) of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or any Sub-contractor and each such Transferring Former Supplier Employee.
- 1.2 The Buyer shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant Transfer Date including (without limit) the payment of all remuneration, benefits, entitlements, PAYE, national insurance contributions and pension contributions.

### **2. Indemnities given by the Former Supplier**

- 2.1 Subject to Paragraph 2.2, the Buyer shall procure that each Former Supplier shall indemnify the Supplier and any Sub-contractor against any Employee Liabilities arising from or as a result of any act or omission by the Former Supplier in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee arising before the Relevant Transfer Date;
- 2.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-contractor whether occurring or having its origin before, on or after the Relevant Transfer Date.
- 2.3 Subject to Paragraphs 2.4 and 2.5, if any employee of a Former Supplier who is not identified as a Transferring Former Supplier Employee and claims, and/or it is determined, in relation to such person that his/her contract of employment has been transferred from a Former Supplier to the Supplier and/or any Notified Sub-contractor pursuant to the Employment Regulations then:
  - 2.3.1 the Supplier will within 5 Working Days of becoming aware of that fact notify the Buyer and the relevant Former Supplier in writing;
  - 2.3.2 the Former Supplier may offer employment to such person, or take such other steps as it considers appropriate to resolve the

matter, within 10 Working Days of receipt of notice from the Supplier;

2.3.3 if such offer of employment is accepted, the Supplier shall immediately release the person from its employment;

2.3.4 if after the period referred to in Paragraph 2.3.2 no such offer has been made, or such offer has been made but not accepted, the Supplier may within 5 Working Days give notice to terminate the employment of such person;

and subject to the Supplier's compliance with Paragraphs 2.3.1 to 2.3.4 the Buyer shall procure that the Former Supplier will indemnify the Supplier and/or the relevant Sub-contractor against all Employee Liabilities arising out of the termination of the employment of any of the Former Supplier's employees referred to in Paragraph 2.3.

2.4 The indemnity in Paragraph 2.3 shall not apply to any claim:

2.4.1 for discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief or equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees, arising as a result of any alleged act or omission of the Supplier and/or any Sub-contractor; or

2.4.2 that the termination of employment was unfair because the Supplier and/or Sub-contractor neglected to follow a fair dismissal procedure.

2.5 The indemnity in Paragraph 2.3 shall not apply to any termination of employment occurring later than 3 Months from the Relevant Transfer Date.

2.6 If the Supplier and/or any Sub-contractor at any point accept the employment of any person as is described in Paragraph 2.3, such person shall be treated as having transferred to the Supplier and/or any Sub-contractor and the Supplier shall comply with such obligations as may be imposed upon it under applicable Law.

### **3. Indemnities the Supplier must give and its obligations**

3.1 Subject to Paragraph 3.1, the Supplier shall indemnify the Buyer, and the Former Supplier against any Employee Liabilities arising from or as a result of any act or omission by the Supplier or any Sub-contractor in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer Date.

3.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from

the Former Supplier's failure to comply with its obligations under the Employment Regulations.

- 3.3 The Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant Transfer Date including (without limit) the payment of all remuneration, benefits, entitlements, PAYE, national insurance contributions and pension contributions and all such sums due under Part D: Pensions.

#### **4. Information the Supplier must give**

The Supplier shall promptly provide to the Buyer and/or at the Buyer's direction, the Former Supplier, in writing such information as is necessary to enable the Buyer and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Former Supplier shall promptly provide to the Supplier in writing such information as is necessary to enable the Supplier and any Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

#### **5. Cabinet Office requirements**

- 5.1 The Supplier shall comply with any requirement notified to it by the Buyer relating to pensions in respect of any Transferring Former Supplier Employee as set down in (i) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007; (ii) HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999; (iii) HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or (iv) the New Fair Deal.
- 5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 shall be agreed in accordance with the Change Control Procedure.

#### **6. Limits on the Former Supplier's obligations**

Notwithstanding any other provisions of this Part B, where in this Part B the Buyer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Buyer's contract with the Former Supplier contains a contractual right in that regard which the Buyer may enforce, or otherwise so that it requires only that the Buyer's must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

#### **7. Pensions**

- 7.1 The Supplier shall comply with:
- 7.1.1 all statutory pension obligations in respect of all Transferring Former Supplier Employees; and

7.1.2 the provisions in Part D: Pensions.

## PART C: NO STAFF TRANSFER ON THE START DATE

### 1. What happens if there is a staff transfer

- 1.1 The Buyer and the Supplier agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Buyer and/or any Former Supplier.
- 1.2 Subject to Paragraphs 1.3, 1.4 and 1.5, if any employee of the Buyer and/or a Former Supplier claims, or it is determined in relation to any employee of the Buyer and/or a Former Supplier, that his/her contract of employment has been transferred from the Buyer and/or the Former Supplier to the Supplier and/or any Sub-contractor pursuant to the Employment Regulations then:
  - 1.2.1 the Supplier will, within 5 Working Days of becoming aware of that fact, notify the Buyer in writing;
  - 1.2.2 the Buyer may offer employment to such person, or take such other steps as it considered appropriate to resolve the matter, within 10 Working Days of receipt of notice from the Supplier;
  - 1.2.3 if such offer of employment is accepted, the Supplier shall immediately release the person from its employment;
  - 1.2.4 if after the period referred to in Paragraph 1.2.2 no such offer has been made, or such offer has been made but not accepted, the Supplier may within 5 Working Days give notice to terminate the employment of such person;and subject to the Supplier's compliance with Paragraphs 1.2.1 to 1.2.4:
  - (a) the Buyer will indemnify the Supplier and/or the relevant Sub-contractor against all Employee Liabilities arising out of the termination of the employment of any of the Buyer's employees referred to in Paragraph 1.2; and
  - (b) the Buyer will procure that the Former Supplier indemnifies the Supplier and/or any Sub-contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2.
- 1.3 The indemnities in Paragraph 1.2 shall not apply to any claim:
  - 1.3.1 for discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief or equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees in relation to any alleged act or omission of the Supplier and/or Sub-contractor; or
  - 1.3.2 any claim that the termination of employment was unfair because the Supplier and/or any Sub-contractor neglected to follow a fair dismissal procedure

- 1.4 The indemnities in Paragraph 1.2 shall not apply to any termination of employment occurring later than 3 Months from the Start Date.
- 1.5 If the Supplier and/or the Sub-contractor does not comply with Paragraph 1.2, all Employee Liabilities in relation to such employees shall remain with the Supplier and/or the Sub-contractor and the Supplier shall (i) comply with the provisions of Part D: Pensions of this Schedule, and (ii) indemnify the Buyer and any Former Supplier against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Sub-contractor.

## **2. Limits on the Former Supplier's obligations**

Where in this Part C the Buyer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Buyer's contract with the Former Supplier contains a contractual right in that regard which the Buyer may enforce, or otherwise so that it requires only that the Buyer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

## 5. PART D: PENSIONS

### 1. DEFINITIONS

In this Part D, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions), and shall be deemed to include the definitions set out in the Annexes:

<b>"Actuary"</b>	a Fellow of the Institute and Faculty of Actuaries;
<b>"Admission Agreement"</b>	means either or both of the CSPS Admission Agreement (as defined in Annex D1: CSPS) or the LGPS Admission Agreement) as defined in Annex D3: LGPS), as the context requires;
<b>"Broadly Comparable"</b>	<p>(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary's Department of a broad comparability certificate; and</p> <p>(b) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme's certificate of broad comparability issued by the Government Actuary's Department,</p> <p>and <b>"Broad Comparability"</b> shall be construed accordingly;</p>
<b>"CSPS"</b>	the schemes as defined in Annex D1 to this Part D;
<b>"Fair Deal Employees"</b>	<p>those:</p> <p>(a) Transferring Buyer Employees; and/or</p> <p>(b) Transferring Former Supplier Employees; and/or</p> <p>(c) employees who are not Transferring Buyer Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Sub-contractor, and whose employment is not terminated in accordance</p>

with the provisions of Paragraphs 2.3.4 of Parts A or B or Paragraph 1.2.4 of Part C;

- (d) where the Former Supplier becomes the Supplier those employees;

who at the Start Date or Relevant Transfer Date (as appropriate) are or become entitled to New Fair Deal protection in respect of any of the Statutory Schemes as notified by the Buyer;

<b>"Fair Deal Schemes"</b>	means the relevant Statutory Scheme or a Broadly Comparable pension scheme;
<b>"Fund Actuary"</b>	means Fund Actuary as defined in Annex D3 to this Part D;
<b>"LGPS"</b>	the schemes as defined in Annex D3 to this Part D;
<b>"NHSPS"</b>	the schemes as defined in Annex D2 to this Part D;
<b>"New Fair Deal"</b>	the revised Fair Deal position set out in the HM Treasury guidance: " <i>Fair Deal for Staff Pensions: Staff Transfer from Central Government</i> " issued in October 2013 including: <ul style="list-style-type: none"><li>(a) any amendments to that document immediately prior to the Relevant Transfer Date; and</li><li>(b) any similar pension protection in accordance with the subsequent Annex D1-D3 inclusive as notified to the Supplier by the CCS or Buyer; and</li></ul>
<b>"Statutory Schemes"</b>	means the CSPS, NHSPS or LGPS.

## **2. Supplier obligations to participate in the pension schemes**

- 2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPS, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Supplier undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter, if necessary) as may be required to enable the Supplier to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.

2.3 The Supplier undertakes:

2.3.1 to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and

2.3.2 to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.

**3. Supplier obligation to provide information**

3.1 The Supplier undertakes to the Buyer:

3.1.1 to provide all information which the Buyer may reasonably request concerning matters referred to in this Part D as expeditiously as possible; and

3.1.2 not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without the consent in writing of the Buyer (such consent not to be unreasonably withheld or delayed).

**4. Indemnities the Supplier must give**

4.1 The Supplier undertakes to the Buyer to indemnify and keep indemnified NHS Pensions the Buyer and/or any Replacement Supplier and/or any Replacement Sub-contractor on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards all and any Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which arise from any breach by the Supplier of this Part D, and/or the CSPA Admission Agreement and/or the Direction Letter and/or the LGPS Admission Agreement or relates to the payment of benefits under and/or participation in an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Fair Deal Schemes.

4.2 The Supplier hereby indemnifies the NHS Pensions, the Buyer and/or any Replacement Supplier and/or Replacement Sub-contractor from and against all Losses suffered or incurred by it or them which arise from claims by Fair Deal Employees of the Supplier and/or of any Sub-contractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:

4.2.1 relate to pension rights in respect of periods of employment on and after the Relevant Transfer Date until the date of termination or expiry of this Contract; or

4.2.2 arise out of the failure of the Supplier and/or any relevant Sub-contractor to comply with the provisions of this Part D before the date of termination or expiry of this Contract.

4.3 The indemnities in this Part D and its Annexes:

4.3.1 shall survive termination of this Contract; and

4.3.2 shall not be affected by the caps on liability contained in Clause 11 (How much you can be held responsible for).

## **5. What happens if there is a dispute**

5.1 The Dispute Resolution Procedure will not apply to this Part D and any dispute between the Buyer and the Supplier or between their respective actuaries or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between the Buyer and the Supplier be referred to an independent Actuary:

5.1.1 who will act as an expert and not as an arbitrator;

5.1.2 whose decision will be final and binding on the Buyer and the Supplier; and

5.1.3 whose expenses shall be borne equally by the CCS and/or the Buyer and the Supplier unless the independent Actuary shall otherwise direct.

## **6. Other people's rights**

6.1 The Parties agree Clause 19 (Other people's rights in this contract) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to him or her or it by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.

6.2 Further, the Supplier must ensure that the CRTPA will apply to any Sub-Contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Sub-contractor in his or her or its own right under section 1(1) of the CRTPA.

## **7. What happens if there is a breach of this Part D**

7.1 The Supplier agrees to notify the Buyer should it breach any obligations it has under this Part D and agrees that the Buyer shall be entitled to terminate its Contract for material Default in the event that the Supplier:

7.1.1 commits an irremediable breach of any provision or obligation it has under this Part D; or

7.1.2 commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within 28 days of the date of a notice from the Buyer giving particulars of the breach and requiring the Supplier to remedy it.

## **8. Transferring New Fair Deal Employees**

8.1 Save on expiry or termination of this Contract, if the employment of any Fair Deal Employee transfers to another employer (by way of a transfer under the Employment Regulations) the Supplier shall and shall procure that any relevant Sub-Contractor shall:

8.1.1 consult with and inform those Fair Deal Employees of the pension provisions relating to that transfer; and

- 8.1.2 procure that the employer to which the Fair Deal Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "Supplier" will become references to the New Employer, references to "Relevant Transfer Date" will become references to the date of the transfer to the New Employer and references to "Fair Deal Employees" will become references to the Fair Deal Employees so transferred to the New Employer.

## **9. What happens to pensions if this Contract ends**

The provisions of Part E: Staff Transfer On Exit (Mandatory) apply in relation to pension issues on expiry or termination of this Contract.

## **10. Broadly Comparable Pension Schemes**

### **10.1 If either:**

- 10.1.1 the terms of any of Paragraphs 2.2 of Annex D1: CSPS, 5.2 of Annex D2: NHSPS and or 4 of Annex D3: LGPS apply; and/or
- 10.1.2 the Buyer agrees, having considered the exceptional cases provided for in New Fair Deal, (such agreement not to be unreasonably withheld) that the Supplier (and/or its Sub-contractors, if any) need not continue to provide the Fair Deal Employees, who continue to qualify for Fair Deal Protection, with access to the appropriate Statutory Scheme;

the Supplier must (and must, where relevant, procure that each of its Sub-contractors will) ensure that, with effect from the Relevant Transfer Date or if later cessation of participation in the Statutory Scheme until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Buyer.

### **10.2 Where the Supplier has set up a Broadly Comparable pension scheme or schemes pursuant to the provisions of Paragraph 10.1, the Supplier shall (and shall procure that any of its Sub-contractors shall):**

- 10.2.1 supply to the Buyer details of its (or its Sub-contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability covering all relevant Fair Deal Employees, as soon as it is able to do so and in any event no later than 28 days before the Relevant Transfer Date;
- 10.2.2 fully fund any such Broadly Comparable pension scheme in accordance with the funding requirements set by that Broadly Comparable pension scheme's Actuary or by the Government Actuary's Department for the period ending on the Service Transfer Date;

- 10.2.3 instruct any such Broadly Comparable pension scheme's Actuary to, and to provide all such co-operation and assistance in respect of any such Broadly Comparable pension scheme as the Replacement Supplier and/or NHS Pension and/or CSPS and/or the relevant Administering Authority and/or the Buyer may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Employee that remain eligible for New Fair Deal protection following a Service Transfer;
- 10.2.4 provide a replacement Broadly Comparable pension scheme with immediate effect for those Fair Deal Employees who are still employed by the Supplier and/or relevant Sub-contractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Sub-contractor's Broadly Comparable pension scheme is terminated;
- 10.2.5 allow and make all necessary arrangements to effect, in respect of any Fair Deal Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the relevant Statutory Scheme and as is relevant on a day for day service basis and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal. For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the appropriate Statutory Scheme to fund day for day service ("**Shortfall**"), the Supplier or the Sub-contractor (as agreed between them) must pay the Statutory Scheme, as required, provided that in the absence of any agreement between the Supplier and any Sub-contractor, the Shortfall shall be paid by the Supplier; and
- 10.2.6 indemnify the Buyer and/or NHS Pension and/or CSPS and/or the relevant Administering Authority and/or on demand for any failure to pay the Shortfall as required under Paragraph 10.2.5 above.

## **Part E: Staff Transfer on Exit**

### **1. Obligations before a Staff Transfer**

- 1.1 The Supplier agrees that within 20 Working Days of the earliest of:
- 1.1.1 receipt of a notification from the Buyer of a Service Transfer or intended Service Transfer;
  - 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of the relevant Contract;
  - 1.1.3 the date which is 12 Months before the end of the Contract Period; and
  - 1.1.4 receipt of a written request of the Buyer at any time (provided that the Buyer shall only be entitled to make one such request in any 6 Month period),
- it shall provide in a suitably anonymised format so as to comply with the Data Protection Laws, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Buyer.
- 1.2 At least 20 Working Days prior to the Service Transfer Date, the Supplier shall provide to the Buyer or at the direction of the Buyer to any Replacement Supplier and/or any Replacement Sub-contractor (i) the Supplier's Final Supplier Personnel List, which shall identify the basis upon which they are Transferring Supplier Employees and (ii) the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).
- 1.3 The Buyer shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-contractor.
- 1.4 The Supplier warrants, for the benefit of The Buyer, any Replacement Supplier, and any Replacement Sub-contractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.
- 1.5 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3, the Supplier agrees that it shall not assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall, unless otherwise instructed by the Buyer (acting reasonably):
- 1.6 not replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces
- 1.7 not make, promise, propose, permit or implement any material changes to the terms and conditions of (i) employment and/or (ii) pensions, retirement and death benefits (including not to make pensionable any category of earnings

which were not previously pensionable or reduce the pension contributions payable) of the Supplier Personnel (including any payments connected with the termination of employment);

- 1.7.1 not increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;
- 1.7.2 not introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;
- 1.7.3 not increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services);
- 1.7.4 not terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process;
- 1.7.5 not dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Buyer and/or the Replacement Supplier and/or Replacement Sub-contractor;
- 1.7.6 give the Buyer and/or the Replacement Supplier and/or Replacement Sub-contractor reasonable access to Supplier Personnel and/or their consultation representatives to inform them of the intended transfer and consult any measures envisaged by the Buyer, Replacement Supplier and/or Replacement Sub-contractor in respect of persons expected to be Transferring Supplier Employees;
- 1.7.7 co-operate with the Buyer and the Replacement Supplier to ensure an effective consultation process and smooth transfer in respect of Transferring Supplier Employees in line with good employee relations and the effective continuity of the Services, and to allow for participation in any pension arrangements to be put in place to comply with New Fair Deal;
- 1.7.8 promptly notify the Buyer or, at the direction of the Buyer, any Replacement Supplier and any Replacement Sub-contractor of any notice to terminate employment given by the Supplier or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect;
- 1.7.9 not for a period of 12 Months from the Service Transfer Date re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to the Buyer and/or the Replacement Supplier (unless otherwise instructed by the Buyer (acting reasonably));

- 1.7.10 not to adversely affect pension rights accrued by all and any Fair Deal Employees in the period ending on the Service Transfer Date;
  - 1.7.11 fully fund any Broadly Comparable pension schemes set up by the Supplier;
  - 1.7.12 maintain such documents and information as will be reasonably required to manage the pension aspects of any onward transfer of any person engaged or employed by the Supplier or any Sub-contractor in the provision of the Services on the expiry or termination of this Contract (including without limitation identification of the Fair Deal Employees);
  - 1.7.13 promptly provide to the Buyer such documents and information mentioned in Paragraph 3.1.1 of Part D: Pensions which the Buyer may reasonably request in advance of the expiry or termination of this Contract; and
  - 1.7.14 fully co-operate (and procure that the trustees of any Broadly Comparable pension scheme shall fully co-operate) with the reasonable requests of the Supplier relating to any administrative tasks necessary to deal with the pension aspects of any onward transfer of any person engaged or employed by the Supplier or any Sub-contractor in the provision of the Services on the expiry or termination of this Contract.
- 1.8 On or around each anniversary of the Effective Date and up to four times during the last 12 Months of the Contract Period, the Buyer may make written requests to the Supplier for information relating to the manner in which the Services are organised. Within 20 Working Days of receipt of a written request the Supplier shall provide such information as the Buyer may reasonably require which shall include:
- 1.8.1 the numbers of employees engaged in providing the Services;
  - 1.8.2 the percentage of time spent by each employee engaged in providing the Services;
  - 1.8.3 the extent to which each employee qualifies for membership of any of the Fair Deal Schemes (as defined in Part D: Pensions); and
  - 1.8.4 a description of the nature of the work undertaken by each employee by location.
- 1.9 The Supplier shall provide all reasonable cooperation and assistance to the Buyer, any Replacement Supplier and/or any Replacement Sub-contractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide to the Buyer or, at the direction of the Buyer, to any Replacement Supplier and/or any Replacement Sub-contractor (as appropriate), in respect of each

person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

- 1.9.1 the most recent month's copy pay slip data;
- 1.9.2 details of cumulative pay for tax and pension purposes;
- 1.9.3 details of cumulative tax paid;
- 1.9.4 tax code;
- 1.9.5 details of any voluntary deductions from pay; and
- 1.9.6 bank/building society account details for payroll purposes.

## **2. Staff Transfer when the contract ends**

- 2.1 A change in the identity of the supplier of the Services (or part of the Services), howsoever arising, may constitute a Relevant Transfer to which the Employment Regulations will apply. The Buyer and the Supplier agree that where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-contractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations (or any other employment Law applicable in the jurisdiction in which the Supplier employee is located) in respect of the period up to (and including) the Service Transfer Date including (without limit) the payment of all remuneration, benefits, entitlements, PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Fair Deal Schemes (as defined in Part D: Pensions).
- 2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Buyer and/or the Replacement Supplier and/or any Replacement Sub-contractor against any Employee Liabilities arising from or as a result of:
  - 2.3.1 any act or omission of the Supplier or any Sub-contractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;
  - 2.3.2 any act or omission of the Supplier or any Sub-contractor in respect of any Supplier Employee located outside of the UK who transfers to the Buyer or Replacement Supplier under employment Law applicable in the jurisdiction in which the Supplier employee is located, whether occurring before, on or after the Service Transfer Date.
- 2.4 The indemnity in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement

Supplier and/or any Replacement Sub-contractor whether occurring or having its origin before, on or after the Service Transfer Date.

2.5 Subject to Paragraphs 2.6 and 2.7, if any employee of the Supplier who is not identified in the Supplier's Final Transferring Supplier Employee List claims, or it is determined in relation to any employees of the Supplier, that his/her contract of employment has been transferred from the Supplier to the Replacement Supplier and/or Replacement Sub-contractor pursuant to the Employment Regulations then.

2.5.1 the Replacement Supplier and/or Replacement Sub-contractor will, within 5 Working Days of becoming aware of that fact, notify the Buyer and the Supplier in writing;

2.5.2 the Supplier may offer employment to such person, or take such other steps as it considered appropriate to resolve the matter, within 10 Working Days of receipt of notice from the Replacement Supplier and/or Replacement Sub-contractor;

2.5.3 if such offer of employment is accepted, the Replacement Supplier and/or Replacement Sub-contractor shall immediately release the person from its employment;

2.5.4 if after the period referred to in Paragraph 2.5.2 no such offer has been made, or such offer has been made but not accepted, the Replacement Supplier and/or Replacement Sub-contractor may within 5 Working Days give notice to terminate the employment of such person;

and subject to the Replacement Supplier's and/or Replacement Sub-contractor's compliance with Paragraphs 2.5.1 to 2.5.4 the Supplier will indemnify the Replacement Supplier and/or Replacement Sub-contractor against all Employee Liabilities arising out of the termination of the employment of any of the Supplier's employees referred to in Paragraph 2.5.

2.6 The indemnity in Paragraph 2.5 shall not apply to:

2.6.1 (a) any claim for discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief, or equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees, arising as a result of any alleged act or omission of the Replacement Supplier and/or Replacement Sub-contractor, or

2.6.2 (b) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-contractor neglected to follow a fair dismissal procedure.

2.7 The indemnity in Paragraph 2.5 shall not apply to any termination of employment occurring later than 3 Months from the Service Transfer Date.

2.8 If at any point the Replacement Supplier and/or Replacement Sub-contract accepts the employment of any such person as is described in Paragraph 2.5,

such person shall be treated as a Transferring Supplier Employee and Paragraph 2.5 shall cease to apply to such person.

- 2.9 The Supplier shall promptly provide the Buyer and any Replacement Supplier and/or Replacement Sub-contractor, in writing such information as is necessary to enable the Buyer, the Replacement Supplier and/or Replacement Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Replacement Supplier and/or Replacement Sub-contractor, shall promptly provide to the Supplier and each Sub-contractor in writing such information as is necessary to enable the Supplier and each Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.
- 2.10 Subject to Paragraph 2.9, the Buyer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-contractor and its Sub-contractors against any Employee Liabilities arising from or as a result of any act or omission, whether occurring before, on or after the Service Transfer Date, of the Replacement Supplier and/or Replacement Sub-contractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee.
- 2.11 The indemnity in Paragraph 2.10 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-contractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Sub-contractor (as applicable) to comply with its obligations under the Employment Regulations, or to the extent the Employee Liabilities arise out of the termination of employment of any person who is not identified in the Supplier's Final Supplier Personnel List in accordance with Paragraph 2.5 (and subject to the limitations set out in Paragraphs 2.6 and 2.7 above).

## **Schedule 8 (Implementation Plan and Testing)**

## **Part A – Implementation**

### **1. Definitions**

1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

### **2. Agreeing and following the Implementation Plan**

2.1 A draft of the Implementation Plan is set out in the Annex to this Schedule. The Supplier shall provide a further draft Implementation Plan within twenty (20) days after the Effective Date.

2.2 The draft Implementation Plan:

2.2.1 must contain information at the level of detail necessary to manage the implementation stage effectively and as the Buyer may otherwise require; and

2.2.2 it shall take account of all dependencies known to, or which should reasonably be known to, the Supplier.

2.3 Following receipt of the draft Implementation Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the Implementation Plan. If the Parties are unable to agree the contents of the Implementation Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

2.4 The Supplier shall provide each of the Deliverable Items identified in the Implementation Plan by the date assigned to that Deliverable Item in the Implementation Plan so as to ensure that each Deliverable is Approved on or before the date specified in the Implementation Plan.

2.5 The Supplier shall monitor its performance against the Implementation Plan and Deliverables and provide a weekly Progress Report to the Buyer on such performance.

### **3. Reviewing and changing the Implementation Plan**

3.1 Subject to Paragraph 4.3, the Supplier shall keep the Implementation Plan under review in accordance with the Buyer's instructions and ensure that it is updated on a regular basis.

3.2 The Buyer shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Implementation Plan.

3.3 Changes to any Deliverables, Deliverable Payments and Delay Payments shall only be made in accordance with the Variation Procedure.

3.4 Time in relation to compliance with the Implementation Plan shall be of the essence and failure of the Supplier to comply with the Implementation Plan shall be a material Default.

#### **4. Security requirements before the Start Date**

- 4.1 The Supplier shall note that it is incumbent upon them to understand the lead-in period for security clearances and ensure that all Supplier Staff have the necessary security clearance in place before the Start Date. The Supplier shall ensure that this is reflected in their Implementation Plan.
- 4.2 The Supplier shall ensure that all Supplier Staff and Subcontractors do not access the Buyer's IT systems, or any IT systems linked to the Buyer, unless they have satisfied the Buyer's security requirements.
- 4.3 The Supplier shall be responsible for providing all necessary information to the Buyer to facilitate security clearances for Supplier Staff and Subcontractors in accordance with the Buyer's requirements.
- 4.4 The Supplier shall provide the names of all Supplier Staff and Subcontractors and inform the Buyer of any alterations and additions as they take place throughout the Contract Period.
- 4.5 The Supplier shall ensure that all Supplier Staff and Subcontractors requiring access to the Buyer Premises have the appropriate security clearance. It is the Supplier's responsibility to establish whether or not the level of clearance will be sufficient for access. Unless prior approval has been received from the Buyer, the Supplier shall be responsible for meeting the costs associated with the provision of security cleared escort services.
- 4.6 If a property requires Supplier Staff or Subcontractors to be accompanied by the Buyer's Authorised Representative, the Buyer must be given reasonable notice of such a requirement, except in the case of emergency access.

#### **5. What to do if there is a Delay**

- 5.1 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay under this Contract it shall:
  - 5.1.1 notify the Buyer as soon as practically possible and no later than within two (2) Working Days from becoming aware of the Delay or anticipated Delay;
  - 5.1.2 include in its notification an explanation of the actual or anticipated impact of the Delay;
  - 5.1.3 comply with the Buyer's instructions in order to address the impact of the Delay or anticipated Delay; and
  - 5.1.4 use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay.

#### **6. Compensation for a Delay**

- 6.1 If Delay Payments have been included in the Implementation Plan and:

- 6.1.1 a Deliverable has not been Approved by its Deliverable Date, the Supplier shall be liable to the Buyer for Delay Payments (calculated as set out by the Buyer in this Schedule 8) and the following provisions shall apply:
- 6.1.2 the Supplier acknowledges and agrees that any Delay Payment is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to gain Approval for the Deliverable;
- 6.1.3 Delay Payments shall be the Buyer's exclusive financial remedy for the Supplier's failure to gain Approval for a Deliverable by its Deliverable Date except where:
  - (a) the Buyer is otherwise entitled to or does terminate this Contract pursuant to Clause 10.4 (When the Buyer can end this contract); or
  - (b) the delay exceeds 10 Working Days (the "**Delay Period Limit**") commencing on the relevant Deliverable Date;
- 6.1.4 the Delay Payments will accrue on a daily basis from the relevant Deliverable Date until the Deliverable is Approved as applicable;
- 6.1.5 no payment or other act or omission of the Buyer shall in any way affect the rights of the Buyer to recover the Delay Payments or be deemed to be a waiver of the right of the Buyer to recover any such damages; and
- 6.1.6 Delay Payments shall not be subject to or count towards any limitation on liability set out in Clause 11 (How much you can be held responsible for).
- 6.2 The Delay Payment shall be a one percentage (1%) retention of the Deliverable Payment (as applicable and without Deductions) per Working Day up to a maximum of 10% of the Deliverable Payment (as applicable and without Deduction).
- 7. The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

## **8. Implementation Plan**

- 8.1 The Implementation Period will be a four (4) Month period.
- 8.2 During the Implementation Period, the incumbent supplier shall retain full responsibility for all existing services until the Start Date or as otherwise formally agreed with the Buyer. The Supplier's full-service obligations shall formally be assumed on the Start Date as set out in Award Form.
- 8.3 In accordance with the Implementation Plan, the Supplier shall:
  - 8.3.1 work cooperatively and in partnership with the Buyer and incumbent supplier, where applicable, to understand the scope of Services to ensure a mutually beneficial handover of the Services;
  - 8.3.2 work with the incumbent supplier and Buyer to prepare a plan which demonstrates how they will mobilise the Services;
  - 8.3.3 liaise with the incumbent Supplier, if applicable, to enable the full completion of the Implementation Period activities; and

- 8.3.4 produce an Implementation Plan, to be agreed by the Buyer, for carrying out the requirements within the Implementation Period including Deliverables and dependencies.
- 8.4 The Implementation Plan will include detail stating:
  - 8.4.1 how the Supplier will work with the incumbent Supplier and the Buyer Authorised Representative to capture and load up information such as asset data; and
  - 8.4.2 a communications plan, to be produced and implemented by the Supplier, but to be agreed with the Buyer, including the frequency, responsibility for and nature of communication with the Buyer and end users of the Services.
- 8.5 In addition, the Supplier shall:
  - 8.5.1 appoint a Supplier Authorised Representative who shall be responsible for the management of the Implementation Period, to ensure that the Implementation Period is planned and resourced adequately, and who will act as a point of contact for the Buyer;
  - 8.5.2 mobilise all the Services specified in the Specification within the Contract;
  - 8.5.3 produce an Implementation Plan report for each Buyer Premises to encompass programmes that will fulfil all the Buyer's obligations to landlords and other tenants:
    - (a) the format of reports and programmes shall be in accordance with the Buyer's requirements and particular attention shall be paid to establishing the operating requirements of the occupiers when preparing these programmes which are subject to the Buyer's approval; and
    - (b) the Parties shall use reasonable endeavours to agree the contents of the report but if the Parties are unable to agree the contents within twenty (20) Working Days of its submission by the Supplier to the Buyer, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
  - 8.5.4 manage and report progress against the Implementation Plan;
  - 8.5.5 construct and maintain an Implementation risk and issue register in conjunction with the Buyer detailing how risks and issues will be effectively communicated to the Buyer in order to mitigate them;
  - 8.5.6 attend progress meetings (frequency of such meetings shall be as set out in the Award Form) in accordance with the Buyer's requirements during the Implementation Period. Implementation meetings shall be chaired by the Buyer and all meeting minutes shall be kept and published by the Supplier; and
  - 8.5.7 ensure that all risks associated with the Implementation Period are minimised to ensure a seamless change of control between incumbent provider and the Supplier.
- 9. Quality Plans
  - 9.1 The Supplier shall develop, within 20 Working Days of the Effective Date, quality plans that ensure that all aspects of the Services are the subject of quality

management systems and are consistent with BS EN ISO 9001 or any equivalent standard which is generally recognised as having replaced it (“Quality Plans”).

- 9.2 The Supplier shall obtain the Buyer Representative’s written approval of the Quality Plans before implementing them, which approval shall not be unreasonably withheld or delayed. The Supplier acknowledges and accepts that the Buyer’s approval shall not act as an endorsement of the Quality Plans and shall not relieve the Supplier of its responsibility for ensuring that the Services are provided to the standard required by this Contract.
- 9.3 Following the approval by the Contract of the Quality Plans:
  - 9.3.1 the Supplier shall design and deliver all Deliverables in accordance with the Quality Plans; and
  - 9.3.2 any Changes to the Quality Plans shall be agreed in accordance with the Variation Procedure.

## Annex 1: Implementation Plan

The Implementation Plan is set out below and the Deliverables to be Approved are identified below:

<b>Annex 1 – Outline Implementation Plan</b>			
<b>Deliverable Name</b>	<b>Deliverable Acceptance Criteria</b>	<b>Deliverable Date</b>	<b>Deliverable Payment</b>
<b>Operational Commencement</b>	<p><b>Deliverable 1: Operational Service Readiness</b></p> <p>This shall include, but is not limited to:</p> <ol style="list-style-type: none"> <li>1. Export Service Hub established within one city within HMTTC Region and with specific capability to deliver Services in North America: Toronto, New York &amp; Los Angeles or San Francisco.</li> <li>2. All operational processes and procedures and templates for all systems and Services; including all processes required to deliver the UK Client customer journey</li> <li>3. Tested implementation of systems including the EISS Regional Delivery Partner CRM System with field mapping to DIT database</li> <li>4. Completed transfer and integration of any data transferred from DIT / previous Provider</li> <li>5. Detailed planning and readiness for day 1 and month 1 after the Operational Commencement Date, including but not limited to Key Personnel and Staffing</li> </ol>	<b>No later than 1<sup>st</sup> September 2020</b>	<b>IMP1</b>

	<p>levels required to provide the Services have been recruited, are available and trained to provide the Services in accordance with the provisions of the Agreement;</p> <ol style="list-style-type: none"> <li>6. Service Plan</li> <li>7. Job Aid to Triage Enquiries from outside the EITA Service</li> <li>8. Performance Monitoring Reports</li> <li>9. Workplace IT in place, including Schedule 2.1 Requirement H.3</li> <li>10. Procedure for processing Data Subject Requests</li> <li>11. A risk assessment on the supplier as outlined in Schedule 15 (Security)</li> <li>12. All necessary collateral GREAT branded, at minimum Business Cards and Letterheads</li> </ol>		
	<p><b>Deliverable 2: Overseas Referral Network</b></p> <p>Process for establishing the Overseas Referral Network as per Schedule 2 Requirement 1.5</p> <p>3 providers for each of the following:  Legal,  Accountancy,  Market Research,  Event Management  Marketing &amp; PR</p> <p>3 providers for each of the following:</p>	<p><b>Items 1, 2, and 4 -7 no later than 1<sup>st</sup> September 2020</b></p>	<p><b>IMP2</b></p>

	<p>Energy &amp; Infrastructure;  Defence &amp; Security;  Healthcare,  Life Sciences &amp; Bio Economy;  Technology, Entrepreneurship and Advanced Manufacturing;  Creative, Lifestyle &amp; Learning,  Financial &amp; Professional Services -  Food &amp; Drink;  E-Commerce and Retail</p> <p>Guidance to support the EISS Advisers and Clients in using the Overseas Referral Network as per Schedule 2 Requirement E.10</p> <p>Approved EISS Provider Referral Network tool</p> <p>Process for capturing Client satisfaction feedback</p> <p>Authority approval for provision of specific delivery services (based on the Service Catalogue) by the Supplier as part of Overseas Referral Network.</p>	<p><b>Deliverable 2 Date, including item 3, no later than 31<sup>st</sup> December 2020</b></p>	
	<p><b>Deliverable 3: Market Intelligence Collateral</b></p> <p>A suite of Market Intelligence Collateral, which can be provided to SME Client Businesses where appropriate as part of the support provided by the Supplier. As a minimum, this will Market Intelligence Collateral will include:</p> <ol style="list-style-type: none"> <li>1. Market Data</li> <li>2. Visa Information;</li> </ol>	<p><b>No later than 1<sup>st</sup> September 2020</b></p>	<p><b>IMP3</b></p>

	<ol style="list-style-type: none"> <li>3. Opening a Bank Account;</li> <li>4. Intellectual Property;</li> <li>5. Employment Legislation;</li> <li>6. Establishing a presence in the Region;</li> <li>7. Debt Recovery;</li> <li>8. Customs information;</li> <li>9. E-commerce guide;</li> <li>10. Logistics and Warehousing;</li> <li>11. Attending Trade Shows; and</li> <li>12. Cultural Advice</li> <li>13. Sector 'Snapshots' for each DIT core sector: Creative, Lifestyle and Learning; Defence and Security; Energy and Infrastructure; Financial and Professional Services; Healthcare, Life Sciences and Bio-Economy; Technology, Entrepreneurship and Advanced Manufacturing</li> </ol> <p>All of the above to carry DIT/GREAT branding</p>		
	<p><b>Deliverable 4: Contract</b>  <b>Deliverables including but not limited to:</b></p> <ol style="list-style-type: none"> <li>1. Accreditation Plan</li> <li>2. Information Assurance Process</li> <li>3. Business Continuity and Disaster Recovery Plan</li> <li>4. Quality Plan</li> </ol>	<p><b>As per Schedules 16, 8.5 &amp; 11</b></p>	<p><b>IMP4</b></p>

	5. Draft Exit Plan 6. Data Protection Audit Plan 7. GDPR Privacy Notice		
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## **Part B - Testing**

### **1. DELIVERABLE APPROVAL AND DELIVERABLE PAYMENTS**

#### **Deliverable Approval**

- 1.1 On or before the date specified in the Implementation Plan, the Supplier may ask the Buyer to issue a Satisfaction Certificate in respect of a Deliverable.
- 1.2 The Buyer shall issue a Satisfaction Certificate where it is satisfied that the Supplier has met all the Deliverable Acceptance Criteria for each Deliverable which it is required to deliver.
- 1.3 The Buyer reserves the right not to issue the Satisfaction Certificate where a Deliverable Item the Supplier is required to deliver in respect of the Deliverable (as set out in the Implementation Plan) does not meet the standard required by the Buyer.
- 1.4 If the Buyer decides not to issue a Satisfaction Certificate for the relevant Deliverable it shall notify the Supplier within 5 working days, or such other date as the Buyer may notify the Supplier, setting out its reasons for withholding the Satisfaction Certificate.
- 1.5 The Supplier shall ensure that the Buyer has received all the information it reasonably requires to determine whether a Satisfaction Certificate may be issued on or before the date specified in the Implementation Plan (or, if relevant, an associated Rectification Plan).
- 1.6 The issuing of a Satisfaction Certificate by the Buyer shall be without prejudice to its rights or remedies under this Contract or at Law.
- 1.7 The Supplier shall keep the Buyer informed of its progress in relation to each Deliverable in the Progress Reports or as otherwise agreed in writing by the Parties.

#### **Deliverable Rejection**

- 1.8 If the Buyer notifies the Supplier that it will not issue a Satisfaction Certificate in respect of a Deliverable in accordance with paragraph 1.4, the Supplier shall immediately (and at no cost to the Buyer) provide, complete, rectify or amend (as appropriate) any Deliverables Items required in respect of the Deliverable to ensure the Deliverable Acceptance Criteria are met for that Deliverable.
- 1.9 The Buyer may ask the Supplier to repeat any of the steps set out in paragraph 1.8 (at the Supplier's own cost) until the Buyer is satisfied that a Satisfaction Certificate can be issued in accordance with paragraph 1.2 of this Schedule.
- 1.10 If the Supplier fails to satisfy the Buyer that the relevant Deliverable will be approved within ten (10) working days or such other period as the Buyer may specify the Buyer may treat the failure to gain approval for the Deliverable as a

material Default and, without prejudice to any other rights it has, may ask the Supplier to submit a Rectification Plan in accordance with Clause 10.4.2 in which case the parties shall comply with the Rectification Plan process.

- 1.11 The Supplier shall promptly escalate the matter to the Contract Manager or such other level of seniority within the Supplier's Personnel as the Buyer may reasonably require.
- 1.12 The Supplier may invoice the Buyer for any Deliverables due in respect of the Deliverable on receipt of a Satisfaction Certificate.

## Annex 2: Satisfaction Certificate

To: [insert name of Supplier]

From: [insert name of Buyer]

[insert Date dd/mm/yyyy]

Dear Sirs,

### Satisfaction Certificate

Deliverable (s): [Insert relevant description of the agreed Deliverables].

We refer to the agreement ("**Contract**") [insert Contract reference number] relating to the provision of the [insert description of the Deliverables] between the [insert Buyer name] ("**Buyer**") and [insert Supplier name] ("**Supplier**") dated [insert Start Date dd/mm/yyyy].

The definitions for any capitalised terms in this certificate are as set out in the Contract.

[We confirm that all the Deliverables relating to [insert relevant description of Deliverables and/or reference number(s) from the Implementation Plan] have been tested successfully in accordance with the Implementation Plan [or that a conditional Satisfaction Certificate has been issued in respect of those Deliverables that have not satisfied the relevant Deliverable Acceptance Criteria].

[OR]

[This Satisfaction Certificate is granted on the condition that any defects in the Deliverable that resulted in the Deliverable failing to meet the Deliverable Acceptance Criteria are remedied in accordance with the Rectification Plan attached to this certificate.]

[You may now issue an invoice in respect of the Deliverable Payment associated with this Deliverable in accordance with Clause 1 (Deliverable Approval and Deliverable Payments)].

Yours faithfully

[insert Name]

[insert Position]

acting on behalf of [insert name of Buyer]

## **Schedule 9 (Service Levels)**

## **1** DEFINITIONS

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## PART A: PERFORMANCE INDICATORS AND SERVICE CREDITS

### 1 INTRODUCTION

- 1.1 The objective of the performance management regime is to encourage the Supplier to meet defined service levels by measuring performance against a range of key performance indicators (each a "Key Performance Indicator" or "KPI").
- 1.2 The KPIs have been selected to reflect areas of the Services which are essential in order to deliver an acceptable level of customer service for the Client, and to avoid exposing Buyer to significant financial or reputational risk.
- 1.3 Service Points and therefore Service Credits have been set for each KPI, to reflect the relative impact of failure to meet the acceptable service level for the KPI.

### 2 PERFORMANCE INDICATORS

- 2.1 **Table 1** in Annex 1 to this Schedule ("**Table 1**") sets out the performance management regime parameters for each of the Key Performance Indicators.
- 2.2 The Supplier shall monitor its performance against each Key Performance Indicator and shall send the Buyer a monthly report detailing the level of service actually achieved in accordance with Part B (Performance Monitoring). The schedule of this monthly report shall align with the timelines of the contract management board meetings detailed in Schedule 11 (Contract Management).
- 2.3 Service Points, and therefore Service Credits, shall accrue for any KPI Failure and shall be calculated in accordance with Paragraphs 3, 5 and 6 of Part A (Performance Indicators and Service Credits).

### 3 SERVICE POINTS

- 3.1 If the level of performance of the Supplier during the Service Period achieves the Target Performance Level in respect of a Key Performance Indicator, no Service Points shall accrue to the Supplier in respect of that Key Performance Indicator.
- 3.2 If the level of performance of the Supplier during a Service Period is below the Target Performance Level in respect of a Key Performance Indicator, Service Points shall accrue to the Supplier in respect of that Key Performance Indicator as set out in Paragraph 2.3.
- 3.3 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure shall be the applicable number as detailed in **Table 1** (Annex 1). The number of Service Points accumulated depends on the extent to which the Supplier has failed to meet the Target Performance Level for each KPI. For each Key Performance Indicator there are three (3) bands of Service Points as follows:

- (a) a Minor KPI Failure; or
- (b) a Serious KPI Failure; or
- (c) a Severe KPI Failure;

unless the KPI Failure is a Repeat KPI Failure when the provisions of Paragraph 3.2 shall apply.

- 3.4. The Service Points shall be totalled for all KPIs at the end of each Service Period and the corresponding Service Credit deductions shall be calculated in accordance with Paragraph 2 of Part C, Schedule 3 (Charges and Invoicing).
- 3.5. The value of the Service Credit deductions shall be capped at an amount equivalent to 15% of the annual value of the Service Charge in accordance with Paragraph 4.2 of Part B, Schedule 3 (Charges and Invoicing).
- 3.6. The value of the Service Credits shall be subject to annual Indexation in accordance with Paragraph 3.11 of Part B in Schedule 3 (Charges and Invoicing).

#### **4 CALCULATION OF LOCAL WORKING DAYS**

- 4.1. When measuring the timeliness of any item subject to a KPI based on Local Working Days the following rules will apply:
  - (a) any complete Local Working Day between the item Start Point and End Point shall be included in the Local Working Day count;
  - (b) any part Local Working Day which contains Local Working Hours between the item Start Point and End Point (for the avoidance of doubt including the Start Point and End Point if they fall on a Working Day) shall be included in the Local Working Day count;
  - (c) when an item is correctly escalated to the Buyer during Local Working Hours, then that Local Working Day and any subsequent complete Local Working Day the item is with the Buyer shall be excluded in the Local Working Day count; and
  - (d) when an item is correctly escalated to the Buyer outside of Local Working Hours, then any subsequent complete Local Working Day the item is with the Buyer shall be excluded in the Local Working Day count.

#### **5 REPEAT KPI FAILURES AND RELATED KPI FAILURES**

##### **Repeat KPI Failures**

- 5.1. If a KPI Failure occurs in respect of the same Key Performance Indicator in any two (2) or more consecutive Measurement Periods, the second and any subsequent consecutive KPI Failures shall be a "Repeat KPI Failure". The Service Points awarded in respect of that KPI Failure shall increment by one (1) Service Point for each Repeat KPI Failure.
- 5.2. The Repeat KPI Failure count shall be reset to zero (0) once there have been two (2) consecutive Measurement Periods in which the Target Performance Level has been met.

- 5.3. For any failure to meet Target Performance Levels for each KPI which is a Repeat Failure, the Service Points applicable shall be applied as follows:

Repeat KPI Failure count applicable to the Measurement Period	Applicable Service Points by Severity Level of each KPI			
	Minor KPI Failure	Serious KPI Failure	Severe KPI Failure	KPI Service Threshold
0	1	2	3	4
1	2	3	4	5
2	3	4	5	5
3	4	5	5	5
4 above	5	5	5	5

- 5.4. For the avoidance of doubt, Repeat KPI Failures that accrue 5 or more Service Points shall be deemed a Material KPI Failure.
- 5.5. Minor KPI failures, up to a maximum of three KPIs per Service Period, are not penalised with Service Credits. Minor KPI failures will not result in Service Credits unless the minor KPI failure continues for two successive Measurement Periods.
- 5.6. Buyer has the ability to not apply Service Credits at its discretion, although this should be agreed by the Service Management Board, as defined in Schedule 11 (Contract Management).

## 6 SERVICE CREDITS

- 6.1. Schedule 3 (Charges and Invoicing) sets out the mechanism by which Service Points shall be converted into Service Credits.
- 6.2. The Buyer shall use the Performance Monitoring Reports provided pursuant to Part B, among other things, to verify the calculation and accuracy of the Service Credits (if any) applicable to each Service Period.

## PART B: PERFORMANCE MONITORING

### 1 PERFORMANCE MONITORING AND PERFORMANCE REVIEW

1.1 Within 10 Local Working Days of the end of each Service Period, the Supplier shall provide:

- (a) a report to the Buyer Representative which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described in Paragraph 1.2 (the “**Performance Monitoring Report**”); and
- (b) a report to the Buyer’s senior responsible officer which summarises the Supplier’s performance over the relevant Service Period as more particularly described in Paragraph 1.3 (the “**Balanced Scorecard Report**”).

#### **Performance Monitoring Report**

1.2 The Performance Monitoring Report shall be in such format as agreed between the Parties from time to time and contain, as a minimum, the following information:

#### **Information in respect of the Service Period just ended**

- (a) for each Key Performance Indicator, the actual performance achieved over the Service Period, and that achieved over the previous 3 Measurement Periods;
- (b) a summary of all KPI Failures that occurred during the Service Period;
- (c) the severity level of each KPI Failure which occurred during the Service Period and whether each KPI Failure which occurred during the Service Period fell below the KPI Service Threshold;
- (d) which KPI Failures remain outstanding and progress in resolving them;
- (e) for any Material KPI Failures occurring during the Service Period, the cause of the relevant KPI Failure and the action being taken to reduce the likelihood of recurrence;
- (f) the status of any outstanding Rectification Plan processes, including:
  - (i) whether or not a Rectification Plan has been agreed; and
  - (ii) where a Rectification Plan has been agreed, a summary of the Supplier’s progress in implementing that Rectification Plan;
- (g) for any Repeat KPI Failures, actions taken to resolve the underlying cause and prevent recurrence;
- (h) the number of Service Points awarded in respect of each KPI Failure;

- (i) the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate;
- (j) the conduct and performance of any agreed periodic tests that have occurred;
- (k) relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Agreement;
- (l) such other details as the Buyer may reasonably require from time to time; and

#### **Information in respect of previous Service Periods**

- (m) a rolling total of the number of Performance Failures that have occurred over the past six Service Periods;
- (n) the amount of Service Credits that have been incurred by the Supplier over the past six Service Periods; and
- (o) the conduct and performance of any agreed periodic tests that have occurred in such Service Period.

#### **Balanced Scorecard Report**

- 1.3 The Balanced Scorecard Report shall be presented in the form of a dashboard and, as a minimum, shall contain a high-level summary of the Supplier's performance over the relevant Service Period, including details of the following:
- (a) financial indicators;
  - (b) the Target Performance Levels achieved;
  - (c) behavioural indicators;
  - (d) performance against its obligation to pay its Sub-contractors within 30 days of receipt of an undisputed invoice;
  - (e) Deliverable trend chart, showing performance of the overall programme; and
  - (f) sustainability and energy efficiency indicators, for example energy consumption and recycling performance.
- 1.4 The Performance Monitoring Report and the Balanced Scorecard Report shall be reviewed and their contents agreed by the Parties at the next Performance Review Meeting held in accordance with Paragraph 1.5.
- 1.5 The Parties shall attend meetings on a monthly basis (unless otherwise agreed) to review the Performance Monitoring Reports and the Balanced Scorecard Reports. The Contract Management Meetings shall (unless otherwise agreed):

- (a) take place within five Working Days of the Performance Monitoring Report being issued by the Supplier;
- (b) take place at such location and time (within normal business hours) as the Buyer shall reasonably require (unless otherwise agreed in advance); and
- (c) be attended by the Supplier Representative and the Buyer Representative.

1.6 The Buyer shall be entitled to raise any additional questions and/or request any further information from the Supplier regarding any KPI Failures.

## **2 PERFORMANCE RECORDS**

2.1 The Supplier shall keep appropriate documents and records (including referral records, staff records, timesheets, training programmes, staff training records, goods received documentation, supplier accreditation records, complaints received etc) in relation to the Services being delivered. Without prejudice to the generality of the foregoing, the Supplier shall maintain accurate records of call histories for the lifetime of the contract and for 12 months following the end of the contract, and provide prompt access to such records to the Buyer upon the Buyer's request. The records and documents of the Supplier shall be available for inspection by the Buyer and/or its nominee at any time and the Buyer and/or its nominee may make copies of any such records and documents.

2.2 In addition to the requirement in Paragraph 2.1 to maintain appropriate documents and records, the Supplier shall provide to the Buyer such supporting documentation as the Buyer may reasonably require in order to verify the level of the performance of the Supplier both before and after each Operational Commencement Date and the calculations of the amount of Service Credits for any specified period.

2.3 The Supplier shall ensure that the Performance Monitoring Report, the Balanced Scorecard Report and any variations or amendments thereto, any reports and summaries produced in accordance with this Schedule and any other document or record reasonably required by the Buyer are available to the Buyer on-line and are capable of being printed.

ANNEX 1: KEY PERFORMANCE INDICATORS

PART I: KEY PERFORMANCE INDICATORS TABLES

The Key Performance Indicators that shall apply to the Services are set out below:

## 1 Key Performance Indicators

Table 1 - Key Performance Indicator Table

KPI ID	Key Performance Indicator Title	Definition	Start Point	End Point	Frequency of Measurement	Target Performance Level	Severity Levels			
							Minor KPI Failure	Service KPI Failure	Severe KPI Failure	KPI Service Threshold
<b>PROCESS</b>										
KPI1	Timely engagement with Client	% of Clients which: <ul style="list-style-type: none"> <li>received a receipt confirmation of enquiry or referral via email within two Local Working days (refer to Schedule 2.1 Section 1.1 A. 5); and</li> <li>received the arrangements for a follow-up appointment within five Local Working Days of the enquiry or referral, provided the Client agreed to the appointment, in order to diagnose market entry issues and offer advice (refer to Schedule 2.1 Section 1.1 A. 7).</li> </ul>	Date and time a request is received by Supplier	Date and time the Supplier actions each task with the Client	Monthly	100%	80% - 89.9%	90.0 - 90%	70% - 89.9%	below 70%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI2	Timely introduction of Clients to provider(s) selected from the Overseas Referral Network	% of Clients introduced to the selected provider(s) from the Overseas Referral Network within five Local Working Days of the request from the Client is received (refer to Schedule 2.1 Section 1.3 C. 11)	Date and time the request for introduction from Referred Company is received	Date and time the introduction of the Client and Overseas Referral Network provider is completed	Monthly	100%	80% - 89.9%	80% - 84.9%	70% - 84.9%	below 70%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI3	Follow up on the in-market services	% of Clients that received a follow-up from the EDCS Advisor within two months after the Client is introduced to the Overseas Referral Network provider(s) (refer to Schedule 2.1 Section 1.4 D. 1 & D. 2)	Date and time agreed in-market services are delivered	Date and time the EDCS Advisor sent follow-up to Client	Quarterly	100%	80% - 89.9%	80% - 84.9%	60% - 84.9%	below 60%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
<b>CUSTOMER</b>										
KPI4	Clients survey - Client Satisfaction	% of Clients who report that they are 'satisfied' or 'very satisfied' with the support provided by the Supplier in the Buyer's Export Client Survey <sup>1</sup> (or a survey in a similar format) conducted by the Buyer on an annual basis and published annually	N/A	N/A	Annually	70%	74.9% - 80%	64.9% - 60%	44.9% - 20%	below 20%

<sup>1</sup> The EDCS Export Client Survey is undertaken annually and forms a key component of the Buyer's report production Marketing and Evaluation framework. It is comprised of two surveys: the Quality Survey, and a Reported Impact Survey. The Quality Survey is a telephone survey reporting on the number of contact attempts supported by EDCS, the perceived quality of the advice and support, and business satisfaction with the services received by product of advice.

							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI5	Client survey – Net promoter score	Net promoter score of Clients who report that they would recommend using the service in the Buyer's Export Client Survey (or a survey in a similar format) conducted by the Buyer on an annual basis and published annually. The net promoter score is calculated as the difference between the percentage of 'promoters' and 'detractors'.	N/A	N/A	Annually	100%	20 - 24	15 - 19	10 - 14	below 10
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI6	Response to Client issues and complaints	% of Clients issues and complaints refer to Schedule 2.1 Section 1.7 G-B) which are: • tracked in the Client issue and complaint logs within one Local Working Day; and • acknowledged within three Local Working Days.	Date and time the issue or complaint from Client is received by the Supplier	Date and time the issue or complaint from Client is added to log and date and time the Client received the acknowledgement from Supplier	Monthly	100%	85% - 99.9%	84.9 - 85%	75% - 84.9%	below 75%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI7	Resolution of Client service issues and complaints	The Supplier shall resolve any Client issues and complaints related to the Service provided by the Supplier within 20 business days and to the satisfaction of the Client	Date and time the Service issue or complaint from Client is received by the Supplier	Date and time the Service issue or complaint from Client is resolved by the Supplier	Quarterly	100%	85% - 99.9%	80% - 84.9%	75% - 84.9%	below 75%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
<b>ORGANISATION / BEHAVIOURAL</b>										
KPI8	Availability of Key Personnel	The Supplier must make key personnel (or appropriate deputies) available as required to meet the requirements of the Agreement and contract governance meetings. The Supplier shall be measured by % attendance at contract governance meetings and also availability during service hours.	From Effective Date	Monthly anniversary of the Contract Effective Date	Monthly	100%	94.9% - 99.9%	90 - 94.9%	80% - 89%	below 80%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI9	Timely updating of CRM records	The Supplier shall update CRM records within five Local Working Days of receiving new information regarding a Client. The Buyer shall review a minimum sample of 10% of CRM records monthly to ensure this KPI is met.	Date that new information regarding a Client is received	Date and time which new information is inputted into CRM system	Monthly	100%	85% - 99.9%	80% - 84.9%	75% - 84.9%	below 75%
							1 Service Point	2 Service Points	3 Service Points	4 Service Points
KPI10	Management of Overseas Referral Network	Supplier shall manage the information on the providers on the Overseas Referral Network and ensure the list meets specifications detailed in Schedule 2.1 Section 1.5 E.13.	Date of Service Commencement	Monthly anniversary of the Service Commencement date	Monthly	100%	85% - 99.9%	80% - 84.9%	75% - 84.9%	below 75%



## **Further details relating to the KPIs**

### **PROCESS**

#### **KPI1 – Timely engagement with Client**

- (a) The Supplier shall be assessed on the percentage of Clients which received a receipt confirmation of enquiry or referral within two Local Working days (Schedule 2.1 Section 8 1.1 A. 6) and received the arrangements for a follow-up appointment within five Local Working Days of the enquiry or referral, provided the Client agreed to the appointment, in order to diagnose market entry issues and offer advice (refer to Schedule 2.1 Section 8 1.1 A.7).
- (b) The Supplier shall attempt to connect with the Client three times, with approximately 1 week between each attempt. If after the 3 attempts the EISS Advisor is not able to contact the Client, the Supplier shall contact the International Trade Adviser responsible, informing them. No further action is required on the enquiry and it will not be included in this KPI measure, unless the Client subsequently re-engages with the Supplier. Date, time and details of each contact attempt shall be logged in the CRM system.
- (c) The KPI shall be measured on a monthly basis.

#### **KPI2 – Timely introduction of Referred Company to provider(s) selected from the Overseas Private Sector Referral Network**

- (a) The Supplier shall be assessed on the percentage of Clients introduced to the selected provider(s) from the Overseas Private Sector Referral Network within five (5) Local Working Days of date and time request is received (refer to Schedule 2.1 Section 1.3 C.11).
- (b) The KPI measure shall be based upon the details in the CRM reports on a monthly basis.

#### **KPI3 – Follow up on the in-market services**

- (a) The Supplier shall be assessed on the percentage of Clients that received a follow-up from the EISS Adviser within two months after the Client is introduced to the Overseas Referral Network provider(s) (refer to Schedule 2.1 Section 1.4 D.1 & D.2). The follow-up will act as a progress status update and to ensure the Client does not require any further support. If further action is required, the tasks will be added to the CRM and actioned accordingly.
- (b) The KPI measure shall be based upon the details in the CRM reports on a monthly basis.

### **CUSTOMER**

#### **KPI4 – Client survey - satisfaction**

- (a) The Supplier shall be assessed on the percentage of Clients which rate the support provided by the Supplier as 'satisfied' or 'very satisfied' in the Client Survey administered by the Buyer.
- (b) The KPI measure shall be based upon the number of relevant Client Survey responses received by the Buyer on an annual basis.

#### KPI5 – Client survey – net promoter score

- (a) The supplier shall be assessed on the net promoter score of Clients who report that they would recommend using the service in the Buyer's Export Client Survey (or a survey in a similar format) conducted by the Buyer on an annual basis and published annually. The net promoter score is calculated as the difference between the percentage of 'promoters' and 'detractors'.
- (b) The KPI measure shall be based upon the number of relevant Client Survey responses received by the Buyer on an Annual basis.

#### KPI6 – Response to Client issues and complaints

- (a) The Supplier shall be assessed on the percentage of Client issues and complaints (refer to Schedule 2.1 Section 1.7 G.9) which are:
  - i. tracked in the Client issue and complaint logs within 24 Working Hours (date, time, and action of each step of the complaints process is to be logged); and
  - ii. acknowledged within three Local Working Days.
- (b) The KPI measure shall be based upon the details in the Client issues and complaints logs on a monthly basis. The Supplier is responsible in categorizing the reason for the complaint.

#### KPI7 – Resolution of Client service issues and complaints

- (a) The Supplier shall resolve any Client issues and complaints related to the Service provided by the Supplier within 20 business days and to the satisfaction of the Client. Details of the complaint and resolution will be logged in the CRM system.
- (b) The KPI measure shall be measured on a quarterly basis using the CRM records.

### **ORGANISATION**

#### KPI8 – Availability of Key Personnel

- (a) The Supplier must make key personnel available as required to meet the requirements of the Agreement and contract governance board meetings.
- (b) The Supplier shall be measured by percentage of attendance at contract governance meetings and also availability during service hours

#### KPI9 – Timely updating of CRM records

- (a) [REDACTED]
- (b) The Buyer will consider CRM records to be up to date if all interactions with the Client have been recorded at the time the extraction of the random sample of CRM records was made, with a tolerance of up to one Local Working Hour.

**KPI10 – Management of Overseas Private Sector Referral Network**

- (a) The Supplier shall manage the information on the Overseas Referral Network and ensure the network meets specifications detailed in Schedule 2.1 Section 1.5 E.13.
- (b) The KPI measure shall be based upon the review of at least 10% of the list and will be measured on a quarterly basis.

**KPI11 – Up-to-date market advice**

- (a) Advice, reports, and documents provided to Buyer for approval reflect related policy changes, or other changes or updates as requested by the Buyer, within five local working days of the policy change. Based on the Buyer conducting a spot check and reviewing a sample of appropriate documents at random intervals.
- (b) The KPI measure shall be based upon the reports in the CRM and will be measured on a quarterly basis.

**INCENTIVISATION**

**INCENT1 – Conversion rate of Export Wins**

- (a) [REDACTED]
- (b) The KPI shall be measured over the financial year and will be pro-rated if a full financial year is not covered during the first year of the contract.
- (c) The KPI shall be based on the monthly reports detailed in Schedule 6 - Annex 1 to determine the conversion rate.

**INCENT2 – Total Export Win value**

- (a) [REDACTED]
- (b) The KPI measure shall be based over the financial year and will be pro-rated if a full financial year is not covered.
- (c) The KPI shall be based on the monthly reports detailed in Schedule 6 Annex 1: Transparency Reports to determine the conversion rate.

## **Schedule 10 (Continuous Improvement)**

## 1. SUPPLIER'S OBLIGATIONS

- 1.1 The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to the Buyer.
- 1.2 The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with the Buyer of the Deliverables and the way it provides them, with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and the Buyer must provide each other with any information relevant to meeting this objective.
- 1.3 In addition to Paragraph 1.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Deliverables and/or reducing the Charges (without adversely affecting the performance of this Contract) during that Contract Year ("**Continuous Improvement Plan**") for the Buyer's Approval. The Continuous Improvement Plan must include, as a minimum, proposals:
  - 1.3.1 identifying the emergence of relevant new and evolving technologies;
  - 1.3.2 changes in business processes of the Supplier or the Buyer and ways of working that would provide cost savings and/or enhanced benefits to the Buyer (such as methods of interaction, supply chain efficiencies, reduction in energy consumption and methods of sale);
  - 1.3.3 new or potential improvements to the provision of the Deliverables including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Deliverables; and
  - 1.3.4 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains relating to the Deliverables and identifying opportunities to assist the Buyer in meeting their sustainability objectives.
- 1.4 In addition the Supplier should consider in its Continuous Improvement Plan any new or potential improvements that would enable linked services, including but not limited to the Enhanced International Trade Advisers services, to be delivered at lower cost and/or with greater benefits to the Buyer.
- 1.5 The initial Continuous Improvement Plan for the first (1st) Contract Year shall be submitted by the Supplier to the Buyer for Approval within six (6) Months following the Start Date.
- 1.6 The Buyer shall notify the Supplier of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. If it is rejected then the Supplier shall, within ten (10) Working Days of receipt of notice of rejection, submit a revised Continuous Improvement

Plan reflecting the changes required. Once Approved, it becomes the Continuous Improvement Plan for the purposes of this Contract.

- 1.7 The Supplier must provide sufficient information with each suggested improvement to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.
- 1.8 If the Buyer wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to the Buyer.
- 1.9 Once the first Continuous Improvement Plan has been Approved in accordance with Paragraph 1.6:
  - 1.9.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
  - 1.9.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Parties) to review the Supplier's progress against the Continuous Improvement Plan.
- 1.10 The Supplier shall update the Continuous Improvement Plan as and when required but at least once every Contract Year (after the first (1<sup>st</sup>) Contract Year) in accordance with the procedure and timescales set out in Paragraph 1.3.
- 1.11 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.
- 1.12 Should the Supplier's costs in providing the Deliverables to the Buyer be reduced as a result of any changes implemented, all of the cost savings shall be passed on to the Buyer by way of a consequential and immediate reduction in the Charges for the Deliverables.
- 1.13 At any time during the Contract Period of the Contract, the Supplier may make a proposal for gainshare. If the Buyer deems gainshare to be applicable then the Supplier shall update the Continuous Improvement Plan so as to include details of the way in which the proposal shall be implemented in accordance with an agreed gainshare ratio.

## **Schedule 11 (Contract Management)**

## **1** DEFINITIONS

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## **2** SCOPE

- 2.1 This schedule sets out:

- (a) the framework for how the Parties will oversee and regulate their working relationship;
- (b) the contract management procedures; and
- (c) the Management Information and reporting requirements,

with which the Supplier shall comply with a view to promoting a successful working relationship in relation to the provision of the Services.

- 2.2 The objective of this Schedule is to enable:

- (a) the implementation of the Services in a timely manner and in any event in accordance with the timescales required under this Contract which includes Schedule 8 (Implementation Plan and Testing); and
- (b) the Buyer to monitor the Supplier's performance of the Services.

## **3** CONTRACT MANAGEMENT OBJECTIVES

- 3.1 The contract management structure set out in this Schedule is intended to support the Buyer and the Supplier in achieving, amongst other things, the following principles:

- (a) the successful and timely implementation of the Services, including such approved Variations and EISS Specialist Research Commissions for Specialist Research Services which may be required during the Contract Period;
- (b) the regular monitoring of the performance of the Services in order to ensure compliance with the terms of this Contract including Schedule 8 (Implementation Plan and Testing) and Schedule 9 (Service Levels);
- (c) the early identification of problems and issues in the performance of the Services so that they may be resolved in a prompt and co-operative manner;
- (d) the discussion and resolution of issues and Disputes prior to further escalation in accordance with Clause 34 (Resolving Disputes); and

- (e) the anticipation of potential Variations, and monitoring of Variations to be implemented so that each Variation is managed in a prompt and co-operative manner and in accordance with Clause 24 (Changing the Contract).

#### 4 MANAGEMENT OF THE SERVICES

4.1 The Buyer and the Supplier shall each nominate a contract manager, with prime responsibility for:

- (a) managing the successful and timely implementation of the Services, in accordance with Schedule 8 (Implementation Plan and Testing);
- (b) managing and monitoring the day-to-day delivery of the Services by the Supplier;
- (c) managing the Variations requested and subsequently implemented in accordance with Clause 24 (Changing the Contract),

(the “**Contract Manager**”)

4.2 In the event that the Supplier’s Contract Manager is either temporarily or permanently unavailable, the Supplier shall ensure that the Supplier’s Contract Manager role is fulfilled by a person:

- (a) who shall be an equivalent of, or more senior member of, the Supplier’s Staff than the Contract Manager; and
- (b) whose identity has been communicated to, and agreed by, the Buyer prior to the meeting.

#### 5 ROLE OF THE BOARDS

5.1 The Boards shall be established by the Buyer for the purposes of this Contract on which both the Supplier and the Buyer shall be represented.

5.2 In relation to each Board, the:

- (a) Buyer Board Members;
- (b) Supplier Board Members;
- (c) frequency that the Board shall meet (unless otherwise agreed between the Parties);
- (d) location of the Board's meetings; and
- (e) planned start date by which the Board shall be established,

shall be as set out in Annex 1.

- 5.3 In the event that either Party wishes to replace any of its appointed Board Members, change the frequency or role of the boards described in Annex 1, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed).

### **Board meetings**

- 5.4 Each Party shall ensure that its Board Members shall make all reasonable efforts to attend Board meetings at which that Board Member's attendance is required. If any Board Member is not able to attend a Board meeting, that person shall use all reasonable endeavours to ensure that:
- (a) a delegate attends the relevant Board meeting in his/her place who (wherever possible) is properly briefed and prepared; and
  - (b) that he/she is debriefed by such delegate after the Board Meeting.
- 5.5 A chairperson shall be appointed by the Buyer for each Board as identified in Annex 1. The chairperson shall be responsible for:
- (a) scheduling Board meetings;
  - (b) setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;
  - (c) chairing the Board meetings;
  - (d) monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;
  - (e) ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within seven Working Days after the Board meeting;
  - (f) facilitating the process or procedure by which any decision agreed at any Board meeting is given effect in the appropriate manner; and
- 5.6 The Parties shall ensure, as far as reasonably practicable, that all Boards shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before them. Each Party shall endeavour to ensure that Board Members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.

## 6 ROLE OF THE CONTRACT MANAGEMENT BOARD

6.1 The Contract Management Board shall be responsible for the day-to-day management of the Services and shall:

- (a) be accountable for management of the operational relationship between the Contract Manager, Post and the Supplier;
- (b) report to the Service Transformation Unit on significant issues requiring decision and resolution by the Service Transformation Unit or to the Service Management Board as appropriate;
- (c) report to the Service Transformation Unit on delivery of services and performance against Key Performance Indicators, progress against the Implementation Plan and possible future developments and any issues with the delivery of services and performance; and
- (d) manage the day-to-day Supplier relationship.

6.2 Board meetings shall be quorate as long as at least one appropriate representative from each Party is present.

## 7 ROLE OF THE SERVICE TRANSFORMATION UNIT

The Service Transformation Unit shall be responsible for the executive management of the Services and shall:

- (a) be accountable to the Service Management Board for comprehensive oversight of the Services and for the senior management of the operational relationship;
- (b) escalate to the Service Management Board on significant issues requiring decision and resolution by the Service Management Board and on progress against the Implementation Plan;
- (c) receive reports from the Contract Managers on matters such as issues relating to delivery of Services and performance against Service Levels, progress against the Implementation Plan and possible future developments;
- (d) review and report to the Service Management Board on service management, co-ordination of individual Services and any integration issues;
- (e) deal with the prioritisation of resources and the appointment of Contract Managers on behalf of the Buyer;

- (f) consider and resolve Disputes (including Disputes as to the cause of a delay to a Deliverable or the performance of the Services) in the first instance and if necessary, escalate the dispute to the Service Management Board;
- (g) develop operational/supplier relationship and develop and propose the relationship development strategy and ensure the implementation of the same.

Oversee collaborative work with suppliers and across the DIT network to promote the continuous improvement of the services.

## **8 ROLE OF THE SERVICE MANAGEMENT BOARD**

### **8.1 The Service Management Board shall:**

- (a) provide senior level guidance, leadership and strategy for the overall delivery of the Services;
- (b) be the point of escalation from the Service Transformation Unit or Contract Management Board as appropriate.
- (c) delegate the management of matters to Service Transformation Unit, or Contract Management Boards if appropriate.
- (d) carry out the specific obligations attributed to it in Paragraph 8.2.

### **8.2 The Service Management Board shall:**

- (a) ensure that this Contract is operated throughout the Contract Period in a manner which optimises the value for money and operational benefit derived by the Buyer and the commercial benefit derived by the Supplier;
- (b) receive and review reports from the Service Transformation Unit and review reports on technology, service and other developments that offer potential for improving the benefit that either Party is receiving, in particular value for money;
- (c) determine business strategy and provide guidance on policy matters which may impact on the implementation of the Services;
- (d) authorise the commissioning and initiation of, and assess opportunities for, any additional services;
- (e) provide guidance and authorisation on relevant Variations;

### **8.3 The Supplier shall make available a relevant official to attend occasional Service Management Boards as deemed appropriate by the Buyer.**

## **9 INTERACTIONS WITH OTHER DELIVERY PARTNERS**

- 9.1 The Parties acknowledge that there will be interaction with other third parties during the Contract Period. These are expected to include, but not limited to; Post, EISS Delivery Partners, EITA Regional Delivery Partners, ITA Regional Delivery Partners, and others as the Buyer deems appropriate in addition to the operational level interactions described in Schedule 2 (Specification).
- 9.2 Where the interactions described in 9.1 above are required, the Contract Manager may request the Supplier to provide service performance data, opinions and views from the Supplier, to assist in the delivery of the Buyer's objectives, as set out in the Export Strategy, published on [www.gov.uk](http://www.gov.uk) on 21 August 2018.
- 9.3 The Contract Manager may also require the Supplier to attend meetings or boards which may facilitate these interactions from time to time. In each case, reasonable notice of the meeting will be agreed between the Contract Manager and the Supplier.

## **10 CONTRACT MANAGEMENT MECHANISMS**

- 10.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Contract.
- 10.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
- (a) the identification and management of risks;
  - (b) the identification and management of issues; and
  - (c) monitoring and controlling project plans.
- 11** The Risk Register shall be updated by the Supplier and submitted for review by the Contract Management Board, with any appropriate risks being escalated to the Service Transformation Unit and Service Management Board as appropriate. The Risk Register shall align with the Buyer's mandated format.
- 11.1 An annual review meeting shall be held throughout the Contract Period on a date to be agreed between the Parties.
- 11.2 The meetings shall be attended by the chief executive, account manager and other senior responsible officers of the Supplier and the responsible director, project director or senior responsible officer of the Buyer and any other persons considered by the Buyer necessary for the review.

## ANNEX 1: REPRESENTATION AND STRUCTURE OF BOARDS

### Contract Management Board

Buyer Members of Contract Management Board	Buyer's Contract Manager (Chairperson) Post Representative
Supplier Members of Contract Management Board	Supplier's Contract Manager
Start Date for Contract Management Board meetings	One month after contract award
Frequency of Contract Management Board meetings	Monthly
Location of Contract Management Board meetings	At Post location, with Contract Manager joining via teleconference. Twice yearly meetings in London at DIT HQ.

### SERVICE MANAGEMENT BOARD

Buyer Members for Service Management Board	Programme Director (Chairperson) Programme Lead Senior Service Transformation Unit Lead Senior Analytical Lead Senior Commercial Lead Senior Financial Lead Senior Post Representative (as relevant) Contract Manager (as relevant) Digital, Data and Technology Representative (as relevant)
Supplier Members for Service Management Board	Will be invited as relevant, but would expect relevant Account Manager or senior representative.

Start Date for Service Management Board meetings	One month after contract award
Frequency of Service Management Board meetings	Quarterly
Location of Service Management Board meetings	London, DIT HQ. Those based overseas will be asked to join via teleconference, or in exceptional circumstances, in person.

## **Schedule 12 (Business Continuity and Disaster Recovery)**

## **1. DEFINITIONS**

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## **2. BCDR PLAN**

- 2.1 At least ninety (90) Working Days prior to the Effective Date the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan (a "**BCDR Plan**"), which shall detail the processes and arrangements that the Supplier shall follow to:

- 2.1.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and

- 2.1.2 the recovery of the Deliverables in the event of a Disaster

- 2.2 The BCDR Plan shall be divided into three sections:

- 2.2.1 Section 1 which shall set out general principles applicable to the BCDR Plan;

- 2.2.2 Section 2 which shall relate to business continuity (the "Business Continuity Plan"); and

- 2.2.3 Section 3 which shall relate to disaster recovery (the "Disaster Recovery Plan").

- 2.3 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

## **3. GENERAL PRINCIPLES OF THE BCDR PLAN (SECTION 1)**

- 3.1 Section 1 of the BCDR Plan shall:

- 3.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;

- 3.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;

- 3.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;

- 3.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any of

its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;

- 3.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
  - 3.1.6 contain a risk analysis, including:
    - (a) failure or disruption scenarios and assessments of likely frequency of occurrence;
    - (b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
    - (c) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
    - (d) a business impact analysis of different anticipated failures or disruptions;
  - 3.1.7 provide for documentation of processes, including business processes, and procedures;
  - 3.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
  - 3.1.9 identify the procedures for reverting to "normal service";
  - 3.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
  - 3.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan; and
  - 3.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans.
- 3.2 The BCDR Plan shall be designed so as to ensure that:
- 3.2.1 the Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCDR Plan;
  - 3.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
  - 3.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
  - 3.2.4 it details a process for the management of disaster recovery testing.

- 3.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 3.4 The Supplier shall not be entitled to any relief from its obligations under the Service levels, or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

#### **4. BUSINESS CONTINUITY (SECTION 2)**

- 4.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
  - 4.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
  - 4.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 4.2 The Business Continuity Plan shall:
  - 4.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;
  - 4.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
  - 4.2.3 specify any applicable Service Levels with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Service Levels in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
  - 4.2.4 set out the circumstances in which the Business Continuity Plan is invoked.

#### **5. DISASTER RECOVERY (SECTION 3)**

- 5.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.

- 5.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
- 5.2.1 loss of access to the Buyer Premises;
  - 5.2.2 loss of utilities to the Buyer Premises;
  - 5.2.3 loss of the Supplier's helpdesk or CAFM system;
  - 5.2.4 loss of a Subcontractor;
  - 5.2.5 emergency notification and escalation process;
  - 5.2.6 contact lists;
  - 5.2.7 staff training and awareness;
  - 5.2.8 BCDR Plan testing;
  - 5.2.9 post implementation review process;
  - 5.2.10 any applicable Service Levels with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Service Levels in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
  - 5.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
  - 5.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
  - 5.2.13 testing and management arrangements.

## **6. REVIEW AND CHANGING THE BCDR PLAN**

- 6.1 The Supplier shall review the BCDR Plan:
- 6.1.1 on a regular basis and as a minimum once every six (6) Months;
  - 6.1.2 within three (3) calendar Months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 7; and
  - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.

- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within such period as the Buyer shall reasonably require.
- 6.3 The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a "**Review Report**") setting out the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.
- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

## **7. TESTING THE BCDR PLAN**

- 7.1 The Supplier shall test the BCDR Plan:
- 7.1.1 regularly and in any event not less than once in every Contract Year;
  - 7.1.2 in the event of any major reconfiguration of the Deliverables
  - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with

the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.

- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- 7.5.1 the outcome of the test;
  - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and
  - 7.5.3 the Supplier's proposals for remedying any such failures.
- 7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

## **8. INVOKING THE BCDR PLAN**

- 8.1 In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.

## **9. CIRCUMSTANCES BEYOND YOUR CONTROL**

- 9.1 The Supplier shall not be entitled to relief under Clause 20 (Circumstances beyond your control) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

## **Schedule 13 (Security)**

## 1. DEFINITIONS

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule

## 2. INTRODUCTION

- 2.1 This Schedule sets out:

- 2.1.1 the principles which the Supplier shall comply with when performing its obligations under this Contract in order to ensure the security of the Buyer Data, the IT Environment, the Supplier Solution and the Information Management System;
- 2.1.2 the process which shall apply to the Accreditation of the Information Security Management System in Paragraph **Error! Reference source not found.**;
- 2.1.3 the Certification Requirements applicable to the Wider Information Management System in Paragraph **Error! Reference source not found.**;
- 2.1.4 the Security Tests which the Supplier shall conduct during the Contract Period in Paragraph **Error! Reference source not found.**;
- 2.1.5 the Security Tests which the Buyer may conduct during the Contract Period in Paragraph **Error! Reference source not found.**;
- 2.1.6 the requirements to patch vulnerabilities in the Information Security Management System in Paragraph **Error! Reference source not found.**;
- 2.1.7 the obligations on the Supplier to prevent the introduction of Malicious Software into the Information Management System and to scan for, contain the spread of, and minimise the impact of Malicious Software which is introduced into the Information Management System in Paragraph **Error! Reference source not found.**; and
- 2.1.8 each Party's obligations in the event of an actual or attempted Breach of Security in Paragraph **Error! Reference source not found.**.

## 3. Principles of Security

- 3.1 The Supplier acknowledges that the Buyer places great emphasis on the confidentiality, integrity and availability of the Buyer Data and, consequently on the security of:

- 3.1.1 the IT Environment;
  - 3.1.2 the Supplier Solution; and
  - 3.1.3 the Information Management System.
- 3.2 Notwithstanding the involvement of the Buyer in the Accreditation of the Information Security Management System, the Supplier shall be and shall remain responsible for:
- 3.2.1 the security, confidentiality, integrity and availability of the Buyer Data whilst that Buyer Data is under the control of the Supplier or any of its Sub-contractors;
  - 3.2.2 the security of the Supplier Solution; and
  - 3.2.3 the security of the Information Management System.
- 3.3 The EISS contract management team shall monitor and may also provide recommendations to the Supplier on the Accreditation of the Information Security Management System.
- 3.4 Each Party shall provide access to members of its information assurance personnel to facilitate the Supplier's design, implementation, operation, management and continual improvement of the Risk Management Documentation and the security of the Supplier Solution and Information Management System and otherwise at reasonable times on reasonable notice.

#### **4. Information Management System**

- 4.1 The Information Management System comprises the Information Security Management System and the Wider Information Management System.
- 4.2 The Buyer shall be responsible for determining the boundary between the Information Security Management System and the Wider Information Management System. In order to enable the Buyer to make such determination, the Supplier shall provide the Buyer with such documentation and information that the Buyer may reasonably require regarding any information assets, ICT systems and/or Sites which will be used by the Supplier or any Sub-contractor to Process Buyer Data together with the associated information management system (including organisational structure, controls, policies, practices, procedures, processes and resources). The Buyer shall notify the Supplier, as soon as reasonably practical following the receipt of such documentation and information, of its decision regarding the component parts of the Information Management System and its boundary with the Wider Information Management System.

4.3 Any proposed change to the component parts of and/or boundary of the Information Security Management System shall be notified and processed in accordance with the Change Control Procedure.

## **5. Statement of Information Risk Appetite and Baseline Security Requirements**

5.1 The Supplier acknowledges that the Buyer has provided, and the Supplier has received a statement of information risk appetite for the Supplier System and the Services (the "**Statement of Information Risk Appetite**").

5.2 **The Buyer's Baseline Security Requirements in respect of** the Information Security Management System are set out in Annex 1.

5.3 The Statement of Information Risk Appetite and the Baseline Security Requirements shall inform the Accreditation of the Information Security Management System.

## **6. Accreditation of the Information Security Management System**

6.1 The Information Security Management System shall be subject to Accreditation in accordance with this Paragraph 6.

6.2 The Accreditation shall be performed by the Buyer or by representatives appointed by the Buyer.

6.3 Prior to the Operational Commencement Date, the Supplier shall prepare and submit to the Buyer the risk management documentation for the Information Security Management System, which shall comply with, and be subject to approval by the Buyer in accordance with, this Paragraph 6 (the "**Risk Management Documentation**").

6.4 The Risk Management Documentation shall be structured in accordance with the template as set out in Annex 3 and include:

6.4.1 the Accreditation Plan, which shall include:

(a) the dates on which each subsequent iteration of the Risk Management Documentation will be delivered to the Buyer for review and staged approval; and

(b) the date by which the Supplier is required to have received a Risk Management Approval Statement from the Buyer together with details of each of the tasks which must be completed by the Supplier, Milestones which must be Achieved in order for the Supplier to receive a Risk Management Approval Statement pursuant to Paragraph 6.7.1

- 6.4.2 a formal risk assessment of the Information Security Management System and a risk treatment plan for the Information Security Management System;
  - 6.4.3 a completed ISO 27001:2013 Statement of Applicability for the Information Security Management System; the process for managing any security risks from Sub-contractors and third parties authorised by the Buyer with access to the Services, processes associated with the delivery of the Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System (to extent that it is under the control of the Supplier) and any IT, Information and data (including the Buyer's Confidential Information and the Buyer Data) and any system that could directly or indirectly have an impact on that Information, data and/or the Services;
  - 6.4.4 unless such requirement is waived by the Buyer, proposed controls that will be implemented in respect of all aspects of the Services and all processes associated with the delivery of the Services, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any IT, Information and data (including the Buyer's Confidential Information and the Buyer Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Services;
  - 6.4.5 the Required Changes Register;
  - 6.4.6 evidence that the Supplier and each applicable Sub-contractor is compliant with the Certification Requirements; and
  - 6.4.7 a Personal Data Processing Statement.
- 6.5 If the Risk Management Documentation submitted to the Buyer pursuant to Paragraph 6.3 (or Paragraph 6.10, as applicable) is approved by the Buyer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Schedule. If the Risk Management Documentation is not approved by the Buyer, the Supplier shall amend it within 10 Working Days of a notice of non-approval from the Buyer and re-submit it to the Buyer for approval. The Parties shall use all reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than 15 Working Days (or such other period as the Parties may agree in writing) from the date of its first submission to the Buyer. If the Buyer does not approve the Risk Management Documentation following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No approval to be given by the Buyer pursuant to this Paragraph may be unreasonably withheld or delayed. However, any failure to

approve the Risk Management Documentation on the grounds that it does not comply with the requirements set out in Paragraph 6.4 shall be deemed to be reasonable.

- 6.6 To facilitate Accreditation of the Information Security Management System, the Supplier shall provide the Buyer and its authorised representatives with:
  - 6.6.1 access to the Sites, ICT information assets and ICT systems within the Information Security Management System on request or in accordance with the Accreditation Plan; and
  - 6.6.2 such other information and/or documentation that the Buyer or its authorised representatives may reasonably require to enable the Buyer to establish that the Information Security Management System is compliant with the Risk Management Documentation.
- 6.7 The Buyer shall, by the relevant date set out in the Accreditation Plan, review the identified risks to the Information Security Management System and issue to the Supplier either:
  - 6.7.1 a Risk Management Approval Statement which will then form part of the Risk Management Documentation, confirming that the Buyer is satisfied that the identified risks to the Information Security Management System have been adequately and appropriately addressed and that the residual risks are understood and accepted by the Buyer; or
  - 6.7.2 a rejection notice stating that the Buyer considers that the residual risks to the Information Security Management System have not been reduced to a level acceptable by the Buyer and the reasons why ("**Risk Management Rejection Notice**").
- 6.8 If the Buyer issues a Risk Management Rejection Notice, the Supplier shall, within 20 Working Days of the date of the Risk Management Rejection Notice:
  - 6.8.1 address all of the issues raised by the Buyer in such notice; and
  - 6.8.2 notify the Buyer that the Information Security Management System is ready for an Accreditation Decision.
- 6.9 If the Buyer determines that the Supplier's actions taken pursuant to the Risk Management Rejection Notice have not reduced the residual risks to the Information Security Management System to an acceptable level and issues a further Risk Management Rejection Notice, the failure to receive a Risk Management Approval Statement shall constitute a material Default and the Buyer may terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 10.4.

- 6.10 The process set out in Paragraph 6.7 and Paragraph **Error! Reference source not found.** shall be repeated until such time as the Buyer issues a Risk Management Approval Statement to the Supplier or terminates this Contract.
- 6.11 The Supplier acknowledges that it shall not be permitted to use the Information Security Management System to Process Buyer Data prior to receiving a Risk Management Approval Statement.
- 6.12 The Supplier shall keep the Information Security Management System and Risk Management Documentation under review and shall update the Risk Management Documentation annually in accordance with this Paragraph and the Buyer shall review the Accreditation Decision annually and following the occurrence of any of the events set out in Paragraph 6.13.
- 6.13 The Supplier shall notify the Buyer within 2 Working Days after becoming aware of:
- 6.13.1 a significant change to the components or architecture of the Information Security Management System;
  - 6.13.2 a new risk or vulnerability is identified to the components or architecture of the Information Security Management System;
  - 6.13.3 a change in the threat profile;
  - 6.13.4 a Sub-contractor failure to comply with the Information Security Management System code of connection;
  - 6.13.5 a significant change to any risk component;
  - 6.13.6 a significant change in the quantity of Personal Data held within the Information Security Management System;
  - 6.13.7 a proposal to change any of the Sites from which any part of the Services are provided; and/or
  - 6.13.8 an ISO27001 audit report produced in connection with the Certification Requirements indicates significant concerns,
  - 6.13.9 update the Required Changes Register and provide the updated Required Changes Register to the Buyer for review and approval within 10 Working Days after the initial notification or such other timescale as may be agreed with the Buyer.
- 6.14 If the Supplier fails to implement a change which is set out in the Required Changes Register by the date agreed with the Buyer, such failure shall constitute a material Default and the Supplier shall:

- 6.14.1 immediately cease using the Information Security Management System to Process Buyer Data until the Default is remedied, unless directed otherwise by the Buyer in writing and then it may only continue to Process Buyer Data in accordance with the Buyer's written directions; and
  - 6.14.2 where such Default is capable of remedy, the Supplier shall remedy such Default within the timescales set by the Buyer and, should the Supplier fail to remedy the Default within such timescales, the Buyer may terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 10.4.
- 6.15 The Supplier shall review each Variation request against the Risk Management Documentation to establish whether the documentation would need to be amended should such Variation be agreed and, where a Variation would require an amendment to the Risk Management Documentation, the Supplier shall set out any proposed amendments to the documentation in the Impact Assessment associated with such Variation for consideration and approval by the Buyer.
- 6.16 The Supplier shall be solely responsible for the costs associated with developing and updating the Risk Management Documentation and carrying out any remedial action required by the Buyer as part of the Accreditation process.

## **7. Certification Requirements**

- 7.1 The Supplier shall ensure, at all times during the Contract Period, that the Supplier and any Sub-contractor with access to Buyer Data or who will Process Buyer Data are certified as compliant with:
- 7.1.1 ISO/IEC 27001:2013 or equivalent Internationally recognised accreditation by a UKAS approved certification body or are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013;
  - 7.1.2 The Supplier shall ensure, at all times during the Contract Period, that the Supplier and each Sub-contractor who is responsible for the secure destruction of Buyer Data:
  - 7.1.3 securely destroys Buyer Data only on Sites which are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; and
  - 7.1.4 are certified as compliant with the NCSC Assured Service (CAS) Service Requirement Sanitisation Standard or an alternative standard as agreed by the Buyer.

- 7.2 The Supplier shall provide the Buyer with evidence of its and its Sub-contractor's compliance with the requirements set out in this Paragraph before the Supplier or the relevant Sub-contractor (as applicable) shall be permitted to carry out the secure destruction of the Buyer Data.
- 7.3 The Supplier shall notify the Buyer as soon as reasonably practicable and, in any event within 2 Working Days, if the Supplier or any Sub-contractor ceases to be compliant with the Certification Requirements and, on request from the Buyer, shall or shall procure that the relevant Sub-contractor shall:
- 7.3.1 immediately ceases using the Buyer Data; and
  - 7.3.2 procure that the relevant Sub-contractor promptly returns, destroys and/or erases the Buyer Data in accordance with Baseline Security Requirements.

## **8. Security Testing**

- 8.1 The Supplier shall, at its own cost and expense:
- 8.1.1 procure a CHECK IT Health Check of the Core Information Management System (an "IT Health Check") by a NCSC approved member of the CHECK Scheme:
    - (a) prior to it submitting the Risk Management Documentation to the Buyer for an Accreditation Decision;
    - (b) if directed to do so by the Buyer in accordance with Paragraph 8.2; and
    - (c) Once every 12 months during the Contract Period.
  - 8.1.2 conduct vulnerability scanning and assessments of the Information Security Management System monthly;
  - 8.1.3 conduct an assessment as soon as reasonably practicable following receipt by the Supplier or any of its Sub-contractors of a critical vulnerability alert from a Supplier of any software or other component of the Information Security Management System to determine whether the vulnerability affects the Information Security Management System; and
  - 8.1.4 conduct such other tests as are required by:
    - (a) any Vulnerability Correction Plans;
    - (b) the ISO27001 certification requirements;

(c) the Risk Management Documentation; and

(d) the Buyer following a Breach of Security or a significant change to the components or architecture of the Information Security Management System,

(each a "**Security Test**").

8.2 The Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in advance) as soon as practicable after completion of each Security Test.

8.3 In relation to each IT Health Check, the Supplier shall:

8.3.1 agree with the Buyer the aim and scope of the IT Health Check;

8.3.2 promptly, following receipt of each IT Health Check report, provide the Buyer with a copy of the IT Health Check report;

8.3.3 in the event that the IT Health Check report identifies any vulnerabilities, the Supplier shall:

(a) prepare a remedial plan for approval by the Buyer (each a "**Vulnerability Correction Plan**") which sets out in respect of each vulnerability identified in the IT Health Check report:

(i) how the vulnerability will be remedied;

(ii) the date by which the vulnerability will be remedied;

(iii) the tests which the Supplier shall perform or procure to be performed (which may, at the discretion of the Buyer, include a further IT Health Check) to confirm that the vulnerability has been remedied;

(b) comply with the Vulnerability Correction Plan; and

(c) conduct such further Security Tests on the Information Security Management System as are required by the Vulnerability Correction Plan to confirm that the Vulnerability Correction Plan has been complied with.

8.4 The Security Tests shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Services and the date, timing, content and conduct of such Security Tests shall be agreed in advance with the Buyer.

8.5 The Buyer shall be entitled to send a representative to witness the conduct of the Security Tests. Without prejudice to the Supplier's obligations under

Paragraph **Error! Reference source not found.**, the Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in advance) as soon as practicable after completion of each Security Test.

- 8.6 The Buyer and/or its authorised representatives shall be entitled, at any time and without giving notice to the Supplier, to carry out such tests (including penetration tests) as it may deem necessary in relation to the Service, the Information System and/or the Supplier's compliance with the Risk Management Documentation ("**Buyer Security Tests**"). The Buyer shall take reasonable steps to notify the Supplier prior to carrying out such Buyer Security Test to the extent that it is reasonably practicable for it to do so taking into account the nature of the Buyer Security Test.
- 8.7 The Buyer shall notify the Supplier of the results of such Buyer Security Tests after completion of each Buyer Security Test.
- 8.8 The Buyer Security Tests shall be designed and implemented so as to minimise their impact on the delivery of the Services. If an Buyer Security Test causes a KPI Failure in a particular Measurement Period, the Supplier shall be granted relief in respect of such KPI Failure for that Measurement Period.
- 8.9 Without prejudice to the provisions of Paragraph **Error! Reference source not found.**, where any Security Test carried out pursuant to this Paragraph 8 reveals any actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Buyer of any changes to the Information Security Management System and/or the Risk Management Documentation (and the implementation thereof) which the Supplier proposes to make in order to correct such failure or weakness. Subject to the Buyer's prior written approval, the Supplier shall implement such changes to the Information Security Management System and/or the Risk Management Documentation and repeat the relevant Security Tests in accordance with the timetable agreed with the Buyer or, otherwise, as soon as reasonably possible.
- 8.10 If the Buyer unreasonably withholds its approval to the implementation of any changes proposed by the Supplier to the Risk Management Documentation in accordance with Paragraph 8.8 above, the Supplier shall not be deemed to be in breach of this Contract to the extent it can be shown that such breach:
  - 8.10.1 has arisen as a direct result of the Buyer unreasonably withholding its approval to the implementation of such proposed changes; and
  - 8.10.2 would have been avoided had the Buyer given its approval to the implementation of such proposed changes.
- 8.11 For the avoidance of doubt, where a change to the Information Security Management System and/or the Risk Management Documentation is required

to remedy non-compliance with the Risk Management Documentation, the Baseline Security Requirements and/or any obligation in this Contract, the Supplier shall effect such change at its own cost and expense.

- 8.12 If any repeat Security Test carried out pursuant to Paragraph **Error! Reference source not found.** reveals an actual or potential Breach of Security or weakness exploiting the same root cause failure, such circumstance shall constitute a material Default and the Buyer may by terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 10.4.
- 8.13 The Supplier shall, by 31 March of each year during the Contract Period, provide to the Buyer a letter from its chief executive officer (or equivalent officer) confirming that having made due and careful enquiry:
- 8.13.1 the Supplier has in the previous year carried out all tests and has in place all procedures required in relation to security matters under this Contract; and
- 8.13.2 the Supplier is confident that its security and risk mitigation procedures with respect to the Services remain effective.

## 9. Vulnerabilities and Corrective Action

- 9.1 The Buyer and the Supplier acknowledge that from time to time vulnerabilities in the Information System will be discovered which unless mitigated will present an unacceptable risk to the Buyer Data.
- 9.2 The severity of vulnerabilities for Supplier Software and the software element of any Third Party commercially off the shelf software shall be categorised by the Supplier as 'Critical', 'Important' and 'Other' by aligning these categories to the vulnerability scoring according to the agreed method in the Risk Management Documentation and using the appropriate vulnerability scoring systems including:
- 9.2.1 the 'National Vulnerability Database' 'Vulnerability Severity Ratings': 'High', 'Medium' and 'Low' respectively (these in turn are aligned to CVSS scores as set out by NIST at <http://nvd.nist.gov/cvss.cfm>); and
- 9.2.2 Microsoft's 'Security Bulletin Severity Rating System' ratings 'Critical', 'Important', and the two remaining levels ('Moderate' and 'Low') respectively.
- 9.3 Subject to Paragraph **Error! Reference source not found.**, the Supplier shall procure the application of security patches to vulnerabilities in the Information Security Management System within:

- 9.3.1 7 days after the public release of patches for those vulnerabilities categorised as 'Critical';
  - 9.3.2 30 days after the public release of patches for those vulnerabilities categorised as 'Important'; and
  - 9.3.3 60 days after the public release of patches for those vulnerabilities categorised as 'Other'.
- 9.4 The timescales for applying patches to vulnerabilities in the Information Security Management System set out in Paragraph **Error! Reference source not found.** shall be extended where:
- 9.4.1 the Supplier can demonstrate that a vulnerability in the Information Security Management System is not exploitable within the context of the Services (e.g. because it resides in a Software component which is not involved in running in the Services) provided such vulnerabilities shall be remedied by the Supplier within the timescales set out in Paragraph **Error! Reference source not found.** if the vulnerability becomes exploitable within the context of the Services;
  - 9.4.2 the application of a 'Critical' or 'Important' security patch adversely affects the Supplier's ability to deliver the Services in which case the Supplier shall be granted an extension to such timescales of 5 days, provided the Supplier had followed and continues to follow the security patch test plan agreed with the Buyer; or
  - 9.4.3 the Buyer agrees a different maximum period after a case-by-case consultation with the Supplier under the processes defined in the Risk Management Documentation.
- 9.5 The Risk Management Documentation shall include provisions for major version upgrades of all Supplier Software and the software element of any Third Party IPR to be kept up to date such that all Supplier Software and the software element of any Third Party IPR are always in mainstream support throughout the Contract Period unless otherwise agreed by the Buyer in writing.
- 9.6 The Supplier shall:
- 9.6.1 implement a mechanism for receiving, analysing and acting upon threat information supplied by NCSC, or a reputable threat intelligence source.
  - 9.6.2 promptly notify the authority of any actual or sustained attempted Breach of Security;

- 9.6.3 ensure that the Information Security Management System is monitored to facilitate the detection of anomalous behaviour that would be indicative of system compromise;
  - 9.6.4 ensure it is knowledgeable about the latest trends in threat, vulnerability and exploitation that are relevant to the Information Security Management System by actively monitoring the threat landscape during the Contract Period;
  - 9.6.5 pro-actively scan the Information Security Management System for vulnerable components and address discovered vulnerabilities through the processes described in the Risk Management Documentation;
  - 9.6.6 from the date specified in the Accreditation Plan and within 5 Working Days of the end of each subsequent month during the Contract Period, provide the Buyer with a written report which details both patched and outstanding vulnerabilities in the Information Security Management System, the elapsed time between the public release date of patches and either time of application or for outstanding vulnerabilities the time of issue of such report and any failure to comply with the timescales set out in Paragraph **Error! Reference source not found.** for applying patches to vulnerabilities in the Information Security Management System;
  - 9.6.7 propose interim mitigation measures to vulnerabilities in the Information Security Management System known to be exploitable where a security patch is not immediately available;
  - 9.6.8 remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the Information Security Management System); and
  - 9.6.9 inform the Buyer when it becomes aware of any new threat, vulnerability or exploitation technique that has the potential to affect the security of the Information Security Management System and provide initial indications of possible mitigations.
- 9.7 If the Supplier is unlikely to be able to mitigate the vulnerability within the timescales under Paragraph 9, the Supplier shall immediately notify the Buyer.
- 9.8 If the Supplier fails to patch vulnerabilities in the Information Security Management System in accordance with Paragraph **Error! Reference source not found.**, such failure shall constitute a material Default and the Buyer may by terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 10.4.

## **10. Malicious Software**

- 10.1 The Supplier shall install and maintain anti-Malicious Software or procure that latest versions of anti-virus definitions and anti-Malicious Software is installed and maintained on any part of the Information Management System, which may Process Buyer Data and ensure that such anti-Malicious Software is configured to perform automatic software and definition updates as well as regular scans of the Information Management System to check for, prevent the introduction of Malicious Software or where Malicious Software has been introduced into the Information Management System, to identify, contain the spread of, and minimise the impact of Malicious Software.
- 10.2 If Malicious Software is found, the Parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Buyer Data, assist each other to mitigate any Losses and to restore the Services to their desired operating efficiency.
- 10.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of Paragraph **Error! Reference source not found.** shall be borne by the Parties as follows:
- 10.3.1 by the Supplier where the Malicious Software originates from the Supplier Software, the software element of any Third Party IPR supplied by the Supplier or the Buyer Data (whilst the Buyer Data was under the control of the Supplier) unless the Supplier can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Buyer when provided to the Supplier; and
- 10.3.2 otherwise by the Buyer.

## **11. Breach of Security**

- 11.1 If either Party becomes aware of a Breach of Security or an attempted Breach of Security it shall notify the other in accordance with the security incident management process as set out in the Risk Management Documentation.
- 11.2 The security incident management process set out in the Risk Management Documentation shall, as a minimum, require the Supplier upon becoming aware of a Breach of Security or an attempted Breach of Security to:
- 11.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer which shall be completed within such timescales as the Buyer may reasonably require) necessary to:

- (a) minimise the extent of actual or potential harm caused by such Breach of Security;
- (b) remedy such Breach of Security to the extent possible and protect the integrity of the Information System against any such potential or attempted Breach of Security;
- (c) apply a tested mitigation against any such Breach of Security or potential or attempted Breach of Security and, provided that reasonable testing has been undertaken by the Supplier, if the mitigation adversely affects the Supplier's ability to deliver the Services so as to meet any Key Performance Indicator, the Supplier shall be granted relief against the failure to meet such affected Key Performance Indicator for such period as the Buyer, acting reasonably, may specify by written notice to the Supplier; and
- (d) prevent a further Breach of Security or attempted Breach of Security in the future exploiting the same root cause failure;

11.2.2 as soon as reasonably practicable and, in any event, within 24 hours, following the Breach of Security or attempted Breach of Security, provide to the Buyer full details of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.

11.3 In the event that any action is taken in response to a Breach of Security or attempted Breach of Security which occurred as a result of non-compliance of the Information System and/or the Risk Management Documentation with the Baseline Security Requirements and/or this Contract, then such action and any required change to the Information System and/or Risk Management Documentation shall be completed by the Supplier at no cost to the Buyer.

11.4 If the Supplier fails to comply with its obligations set out in this Paragraph **Error! Reference source not found.**, such failure shall constitute a material Default, which if not remedied to the satisfaction of the Buyer, shall permit the Buyer to terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 10.4.

## **12. Data Processing, Storage, Management and Destruction**

12.1 In addition to the obligations on the Supplier set out Schedule 15 (Processing Data) in respect of Processing Personal Data and compliance with the Data Protection Legislation, the Supplier shall:

12.1.1 Process Buyer Data only at the Sites and such Sites must not be located outside of the European Union except where the Buyer has given its consent to a transfer of the Buyer Data to outside of the European Union in accordance with Schedule 15;

- 12.1.2 on demand, provide the Buyer with all Buyer Data in an agreed open format;
- 12.1.3 have documented processes to guarantee availability of Buyer Data in the event of the Supplier ceasing to trade;
- 12.1.4 securely erase any or all Buyer Data held by the Supplier when requested to do so by the Buyer; and
- 12.1.5 securely destroy all media that has held Buyer Data at the end of life of that media in accordance with any specific requirements in this Contract and, in the absence of any such requirements, as directed by the Buyer.

## **Annex 1: Baseline Security Requirements**

### **1. Security Classification of Information**

(a) If the provision of the Services requires the Supplier to Process Buyer Data which is classified as:

**1.1** OFFICIAL-SENSITIVE, the Supplier shall implement such additional measures as agreed with the Buyer from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards described in Government Security Classifications Policy;

### **2. End User Devices**

**2.1** The Supplier shall ensure that any Buyer Data which resides on a mobile, removable or physically uncontrolled device is stored encrypted using a product or system component which has been formally assured through a recognised certification process agreed with the Buyer except where the Buyer has given its prior written consent to an alternative arrangement.

**2.2** The Supplier shall ensure that any device which is used to Process Buyer Data meets all of the security requirements set out in the NCSC End User Devices Platform Security Guidance, a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/end-user-device-security> or equivalent International standards.

### **3. Networking**

**1.1** The Supplier shall ensure that any Buyer Data which it causes to be transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.

### **4. Personnel Security**

**4.1** All Supplier Staff shall be subject to a pre-employment check before they may participate in the provision and or management of the Services. Such pre-employment checks must include all pre-employment checks which are required by the HMG Baseline Personnel Security Standard or equivalent International checks including: verification of the individual's identity; verification of the individual's nationality and immigration status; and, verification of the individual's employment history; verification of the individual's criminal record.

**4.2** The Buyer and the Supplier shall review the roles and responsibilities of the Supplier Staff who will be involved in the management and/or provision of the Services in order to enable the Buyer to determine which roles require additional vetting and a specific national security vetting clearance (e.g. a

Counter Terrorist Check; a Security Check). Roles which are likely to require additional vetting and a specific national security vetting clearance include system administrators whose role would provide those individuals with privileged access to IT systems which Process Buyer Data or data which is classified as OFFICIAL-SENSITIVE.

- 4.3 The Supplier shall not permit Supplier Staff who fail the security checks required by Paragraphs **Error! Reference source not found.** and **Error! Reference source not found.** to be involved in the management and/or provision of the Services except where the Buyer has expressly agreed in writing to the involvement of the named individual in the management and/or provision of the Services.
- 4.4 The Supplier shall ensure that Supplier Staff are only granted such access to Buyer Data as is necessary to enable the Supplier Staff to perform their role and to fulfil their responsibilities.
- 4.5 The Supplier shall ensure that Supplier Staff who no longer require access to the Buyer Data (e.g. they cease to be employed by the Supplier or any of its Sub-contractors), have their rights to access the Buyer Data revoked within 1 Working Day.
- 4.6 The Supplier shall ensure that Supplier Staff accessing authority data are regularly security trained including for handling authority data securely.

## 5. Identity, Authentication and Access Control

- 5.1 The Supplier shall operate an access control regime to ensure:
  - 5.1.1 all users and administrators of the Supplier System are uniquely identified and authenticated when accessing or administering the Services; and
  - 5.1.2 all persons who access the Sites are identified and authenticated before they are allowed access to the Sites.
- 5.2 The Supplier shall apply the 'principle of least privilege' when allowing persons access to the Supplier System and Sites so that such persons are allowed access only to those parts of the Sites and the Supplier System they require.
- 5.3 The Supplier shall retain records of access to the Sites and to the Supplier System and shall make such record available to the Buyer on request.

## 6. Audit and Protective Monitoring

- 6.1 The Supplier shall collect audit records which relate to security events in the Information Security Management System or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring

and forensic readiness such Supplier audit records should (as a minimum) include regular reports and alerts setting out details of access by users of the Information Security Management System, to enable the identification of (without limitation) changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of Buyer Data.

**6.2** The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the Information Security Management System.

**6.3** The retention periods for audit records and event logs must be agreed with the Buyer and documented in the Risk Management Documentation.

## **7. Secure Architecture**

**7.1** The Information Security Management System shall meet principles in accordance with NCSC or industry best practice;

**7.2** the NCSC "Security Design Principles for Digital Services", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/security-design-principles-digital-services-main>;

**7.3** the NCSC "Bulk Data Principles", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/protecting-bulk-personal-data-main>; and

**7.4** the NSCS "Cloud Security Principles", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/implementing-cloud-security-principles> and which are summarised below:

- (a) "Cloud Security Principle 1: data in transit protection" which, amongst other matters, requires that user data transiting networks should be adequately protected against tampering and eavesdropping;
- (b) "Cloud Security Principle 2: asset protection and resilience" which, amongst other matters, requires that user data, and the assets storing or processing it, should be protected against physical tampering, loss, damage or seizure;
- (c) "Cloud Security Principle 3: separation between users" which, amongst other matters, requires that a malicious or compromised user of the service should not be able to affect the service or data of another;
- (d) "Cloud Security Principle 4: governance framework" which, amongst other matters, requires that the Supplier should have a security governance framework which coordinates and directs its management of the Services and information within it;

- (e) "Cloud Security Principle 5: operational security" which, amongst other matters, requires that the Services need to be operated and managed securely in order to impede, detect or prevent a Breach of Security;
- (f) "Cloud Security Principle 6: personnel security" which, amongst other matters, requires that where Supplier Staff have access to Buyer Data and/or the Buyer System that those personnel be subject to appropriate security screening and regular security training;
- (g) "Cloud Security Principle 7: secure development" which, amongst other matters, requires that the Services be designed and developed to identify and mitigate threats to their security;
- (h) "Cloud Security Principle 8: supply chain security" which, amongst other matters, requires the Supplier to ensure that appropriate security controls are in place with its Sub-contractors and other suppliers;
- (i) "Cloud Security Principle 9: secure user management" which, amongst other matters, requires the Supplier to make the tools available for the Buyer to securely manage the Buyer's use of the Service;
- (j) "Cloud Security Principle 10: identity and authentication" which, amongst other matters, requires the Supplier to implement appropriate controls in order to ensure that access to Service interfaces is constrained to authenticated and authorised individuals;
- (k) "Cloud Security Principle 11: external interface protection" which, amongst other matters, requires that all external or less trusted interfaces with the Services should be identified and appropriately defended;
- (l) "Cloud Security Principle 12: secure service administration" which, amongst other matters, requires that any ICT system which is used for administration of a cloud service will have highly privileged access to that service;
- (m) "Cloud Security Principle 13: audit information for users" which, amongst other matters, requires the Supplier to be able to provide the Buyer with the audit records it needs to monitor access to the Service and the Buyer Data held by the Supplier and/or its Sub-contractors;
- (n) "Cloud Security Principle 14: secure use of the service" which, amongst other matters, requires the Supplier to educate Supplier Staff on the safe and secure use of the Information Management System.

Annex 2

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**Annex 3**

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## **Schedule 14 (Supply Chain Visibility)**

## **1. DEFINITIONS**

- 1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## **2. VISIBILITY OF SUB-CONTRACT OPPORTUNITIES IN THE SUPPLY CHAIN**

- 2.1 The Supplier shall:

2.1.1 subject to Paragraph 2.3, advertise on Contracts Finder all Sub-Contract opportunities arising from or in connection with the provision of the Deliverables above a minimum threshold of £25,000 that arise during the Contract Period;

2.1.2 within 90 days of awarding a Sub-Contract to a Subcontractor, update the notice on Contract Finder with details of the successful Subcontractor;

2.1.3 monitor the number, type and value of the Sub-Contract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Contract Period;

2.1.4 provide reports on the information at Paragraph 2.1.3 to the Buyer in the format and frequency as reasonably specified by the Buyer; and

2.1.5 promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

- 2.2 Each advert referred to at Paragraph 2.1.1 of this Schedule 14 shall provide a full and detailed description of the Sub-Contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Supplier.

- 2.3 The obligation on the Supplier set out at Paragraph 2.1 shall not apply in respect of Sub-Contract opportunities:

2.3.1 arising before the Effective Date;

2.3.2 where such Sub-Contract opportunities are to be delivered in a country outside of the UK or EU and for legal or regulatory reasons can only be delivered by an organisation located in the relevant country.

- 2.4 Notwithstanding Paragraph 2.1, the Buyer may by giving its prior Approval, agree that a Sub-Contract opportunity is not required to be advertised by the Supplier on Contracts Finder.

## **3. VISIBILITY OF SUPPLY CHAIN SPEND**

- 3.1 In addition to any other management information requirements set out in the Contract, the Supplier agrees and acknowledges that it shall, at no charge, provide timely, full, accurate and complete SME management information reports (the "SME Management Information Reports") to the Buyer which incorporates the data described in the Supply Chain Information Report Template which is:

(a) the total contract revenue received directly on the Contract;

- (b) the total value of sub-contracted revenues under the Contract (including revenues for non-SMEs/non-VCSEs); and
  - (c) the total value of sub-contracted revenues to SMEs and VCSEs.
- 3.2 The SME Management Information Reports shall be provided by the Supplier in the correct format as required by the Supply Chain Information Report Template and any guidance issued by the Buyer from time to time. The Supplier agrees that it shall use the Supply Chain Information Report Template to provide the information detailed at Paragraph 3.1(a) –(c) and acknowledges that the template may be changed from time to time (including the data required and/or format) by the Buyer issuing a replacement version. The Buyer agrees to give at least thirty (30) days' notice in writing of any such change and shall specify the date from which it must be used.
- 3.3 The Supplier further agrees and acknowledges that it may not make any amendment to the Supply Chain Information Report Template without the prior Approval of the Buyer.

# **ANNEX 1: SUPPLY CHAIN INFORMATION REPORT TEMPLATE**

Schedule 14 Annex  
1 Supply Chain

## **Schedule 15 (Processing Data)**

## **STATUS OF THE CONTROLLER**

1. The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under a Contract dictates the status of each party under the DPA. A Party may act as:
  - (a) “Controller” in respect of the other Party who is “Processor”;
  - (b) “Processor” in respect of the other Party who is “Controller”;
  - (c) “Joint Controller” with the other Party;
  - (d) “Independent Controller” of the Personal Data where the other Party is also “Controller”,  
  
in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

## **WHERE ONE PARTY IS CONTROLLER AND THE OTHER PARTY ITS PROCESSOR**

2. Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller.
3. The Processor shall notify the Controller immediately if it considers that any of the Controller’s instructions infringe the Data Protection Legislation.
4. The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Controller, include:
  - (a) a systematic description of the envisaged Processing and the purpose of the Processing;
  - (b) an assessment of the necessity and proportionality of the Processing in relation to the Services;
  - (c) an assessment of the risks to the rights and freedoms of Data Subjects; and
  - (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
5. The Processor shall, in relation to any Personal Data Processed in connection with its obligations under the Contract:

- (a) Process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall notify the Controller before Processing the Personal Data unless prohibited by Law;
- (b) ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 14.3 of the Core Terms, which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:
  - (i) nature of the data to be protected;
  - (ii) harm that might result from a Personal Data Breach;
  - (iii) state of technological development; and
  - (iv) cost of implementing any measures;
- (c) ensure that:
  - (i) the Processor Personnel do not Process Personal Data except in accordance with the Contract (and in particular Annex 1 (*Processing Personal Data*));
  - (ii) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:
    - (A) are aware of and comply with the Processor's duties under this Schedule 15, Clauses 14 (*Data protection*), 15 (*What you must keep confidential*) and 16 (*When you can share information*);
    - (B) are subject to appropriate confidentiality undertakings with the Processor or any Subprocessor;
    - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by the Contract; and
    - (D) have undergone adequate training in the use, care, protection and handling of Personal Data;
- (d) not transfer Personal Data outside of the UK and/or EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:
  - (i) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;

- (ii) the Data Subject has enforceable rights and effective legal remedies;
    - (iii) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
    - (iv) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the Processing of the Personal Data; and
  - (e) at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Contract unless the Processor is required by Law to retain the Personal Data.
6. Subject to paragraph 7 of this Schedule 15, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with the Contract it:
- (a) receives a Data Subject Access Request (or purported Data Subject Access Request);
  - (b) receives a request to rectify, block or erase any Personal Data;
  - (c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
  - (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data Processed under the Contract;
  - (e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
  - (f) becomes aware of a Personal Data Breach.
7. The Processor's obligation to notify under paragraph 6 of this Schedule 15 shall include the provision of further information to the Controller, as details become available.
8. Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under paragraph 6 of this Schedule 15 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately providing:

- (a) the Controller with full details and copies of the complaint, communication or request;
  - (b) such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
  - (c) the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
  - (d) assistance as requested by the Controller following any Personal Data Breach; and/or
  - (e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.
9. The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Schedule 15. This requirement does not apply where the Processor employs fewer than 250 staff, unless:
- (a) the Controller determines that the Processing is not occasional;
  - (b) the Controller determines the Processing includes special categories of data as referred to in Article 9(1) of the GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; or
  - (c) the Controller determines that the Processing is likely to result in a risk to the rights and freedoms of Data Subjects.
10. The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
11. The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
12. Before allowing any Subprocessor to Process any Personal Data related to the Contract, the Processor must:
- (a) notify the Controller in writing of the intended Subprocessor and Processing;
  - (b) obtain the written consent of the Controller;
  - (c) enter into a written agreement with the Subprocessor which give effect to the terms set out in this Schedule 15 such that they apply to the Subprocessor; and

- (d) provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
- 13. The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
- 14. The Buyer may, at any time on not less than 30 Working Days' notice, revise this Schedule 15 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to the Contract).
- 15. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Buyer may on not less than 30 Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

#### **WHERE THE PARTIES ARE JOINT CONTROLLERS OF PERSONAL DATA**

- 16. In the event that the Parties are Joint Controllers in respect of Personal Data under the Contract, the Parties shall implement paragraphs that are necessary to comply with GDPR Article 26 based on the terms set out in Annex 2 to this Schedule 15 (*Processing Data*).

#### **INDEPENDENT CONTROLLERS OF PERSONAL DATA**

- 17. With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Controller.
- 18. Each Party shall Process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.
- 19. Where a Party has provided Personal Data to the other Party in accordance with paragraph 7 of this Schedule 15 above, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.
- 20. The Parties shall be responsible for their own compliance with Articles 13 and 14 GDPR in respect of the Processing of Personal Data for the purposes of the Contract.
- 21. The Parties shall only provide Personal Data to each other:
  - (a) to the extent necessary to perform their respective obligations under the Contract;
  - (b) in compliance with the Data Protection Legislation (including by ensuring all required data privacy information has been given to

affected Data Subjects to meet the requirements of Articles 13 and 14 of the GDPR); and

- (c) where it has recorded it in Annex 1 (*Processing Personal Data*).
22. Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its Processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the GDPR.
23. A Party Processing Personal Data for the purposes of the Contract shall maintain a record of its Processing activities in accordance with Article 30 GDPR and shall make the record available to the other Party upon reasonable request.
24. Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to the Contract (**“Request Recipient”**):
- (a) the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or
  - (b) where the request or correspondence is directed to the other Party and/or relates to that other Party's Processing of the Personal Data, the Request Recipient will:
    - (i) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other Party that it has received the same and shall forward such request or correspondence to the other Party; and
    - (ii) provide any information and/or assistance as reasonably requested by the other Party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.
25. Each Party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other Party pursuant to the Contract and shall:
- (a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Personal Data Breach;

- (b) implement any measures necessary to restore the security of any compromised Personal Data;
  - (c) work with the other Party to make any required notifications to the Information Commissioner's Office and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and
  - (d) not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.
26. Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under the Contract as specified in Annex 1 (*Processing Personal Data*).
27. Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under the Contract which is specified in Annex 1 (*Processing Personal Data*).
28. Notwithstanding the general application of paragraphs 2 to 15 of this Schedule 15 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with paragraphs 16 to 27 of this Schedule 15.

## 2 ANNEX 1 - PROCESSING PERSONAL DATA

This Annex shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Annex shall be with the Buyer at its absolute discretion.

- 1.3 The Processor shall comply with any further written instructions with respect to Processing by the Controller.
- 1.4 Data Control Scenarios that may apply are set out in the table below:

Scenario	Purpose of collection/ [transmission] <sup>1</sup>	Consent	Buyer	Supplier
1 DIT/ International Trade Advisor Introduce UK exporter to Supplier	DIT's purpose - potential Export win / export support provision Supplier's purpose is to support that business with exporting and achieving the supplier's contract aims.	Buyer will gain any consent necessary for Data sharing	Data Controller	Data Processor
2 Devolved Administration / Wider UK Export Eco System Introduce UK exporter to Supplier	Purpose - potential Export Win / export support provision	Referral authority will gain consent for data sharing with the Supplier and Buyer. Supplier will gain consent to share data with Buyer	Data Controller	Data Processor

3	Supplier collecting data for its own purposes upon which it will share with DIT for any potential Export Wins / export service reporting.	Supplier's own purpose initially (e.g. membership or existing client). but then becomes for DIT's purpose (Export Win achieved / Export Support Provided)	Supplier will gain consent to share data with Buyer and update their privacy notice about the sharing arrangements	Independent Data Controller	Independent Data Controller
4	Supplier collecting data for its own purposes which will not lead to any Export Wins / support provided and never shared with DIT.	Supplier's own purpose	N/A	N/A	Data Controller
5	Supplier collecting data for its own purposes which does lead to Export Win / support provided and shared with DIT.	DIT's purpose – Export Win achieved / Export Service Support Provided achieved	Supplier will gain consent to share data with Buyer and update their privacy notice about the sharing arrangements	Independent Data Controller	Independent Data Controller
6	Supplier shares data with a business on the Overseas Referral Network.	Purpose – potential Export Win and to provide contact details for referred business	Supplier will gain consent from Client to share data	Independent Data Controller	Independent Data Controller

**Part 1 – Where the Buyer is the Controller and the Supplier is the Processor**

Description	Details
Identity of Controller for each Category of Personal Data	<p><b>The Buyer is Controller and the Supplier is Processor</b></p> <p>The Parties agree and acknowledge that the Buyer is Controller and the Supplier is Processor in accordance with paragraph 1 of this Schedule and for the purposes of the Data Protection Legislation as set out below.</p>
Subject matter of the processing	<p>(i) Providing the Services in order to generate export wins and (ii) recording export support services provided as part of the Services and Export Wins as required under the Contract, in particular:</p> <ul style="list-style-type: none"><li>i. the Buyer's International Trade Advisors (ITA) introduce UK exporters to the Supplier by providing exporter information (a lead) by any suitable means such as email, telephone conversation etc.</li><li>ii. the Supplier records and stores such information on its system; and</li><li>iii. the Supplier then contacts the UK exporter following a lead from the Buyer's ITAs, and collects further exporter information from the exporter or confirms existing information provided by the Buyer's ITA.</li></ul>
Duration of the processing	<p>From the Effective Date to 1 year after the expiry or earlier termination of this Contract at which time all Personal Data will be transferred to the Buyer and the Buyer will process the data in line with its retention policy.</p>
Nature and purposes of the processing	<p>The purpose is the processing of a referral of the Client to the Supplier so that the Supplier can provide the relevant business with export support services as agreed with the relevant business with the aim of helping the relevant business realise an Export Win in due course.</p>

	<p>The nature of the Processing will include collection, storage, adaptation or alteration, retrieval, use, and destruction of data.  The purpose of the Processing will be to enable the Supplier to fulfil their obligations under this contract.</p> <p>(i) The Supplier collects and records Personal Data on its own systems in order to deliver the Services; and  (ii) The Supplier passes the Personal Data to the Buyer and those businesses on the Overseas Referral Network via the Buyer’s CRM system in accordance with the Contract</p>
Type of Personal Data	<p>Examples here include</p> <ul style="list-style-type: none"> <li>- Names</li> <li>- Company address</li> <li>- Personal email (business)</li> <li>- Telephone (business)</li> <li>- Mobile (business)</li> <li>- Date of Birth</li> <li>- National Insurance number</li> <li>- Pay</li> <li>- Images</li> <li>- Visitor passport information to support UK trade missions arranged by the Supplier</li> <li>- and all other Personal Data (as defined in the GDPR)</li> </ul>
Categories of Data Subject	<p>Personnel working for businesses looking to export.</p>

Plan for return and destruction of the data once the processing is complete UNLESS requirement under union or member state law to preserve that type of data

From the Effective Date to 1 year after the expiry or earlier termination of this Contract.  
At the end of this Contract - data will be transferred to the Buyer and the Buyer will process the data in line with its Data Hub's retention policy. Supplier to destroy all other data at the request of the Buyer.

**Part 2 – Where each Party is an Independent Controller**

Description	Details
Identity of Controller for each category of Personal Data	<p><b>The Parties are Independent Controllers of Personal Data</b>                      The Parties acknowledge that in accordance with 1 of this Schedule 15 and they are Independent Controllers for the purposes of the Data Protection Legislation as set out below.</p>
Subject matter of the processing	<p>(i)The Supplier's own purposes (membership etc.) and (ii) recording Export Support Services provided or export wins as required under the Contract, in particular:</p> <ul style="list-style-type: none"> <li>• The Supplier collecting exporter Personal Data for its own purposes (membership, non-Buyer related services) upon which it will share Personal Data with the Buyer for any actual Export Support Services delivered or Export Support Services delivered or Export Wins achieved, provided however, that where the Supplier collects such data for its own purposes and the data does not result in an Export Win, the Supplier will not share such personal data with the Buyer.</li> <li>• The Supplier provides personal data relating to exporters to the Buyer by submitting such personal data into the Buyer's CRM (was Export Wins) system in relation to Export Support Services delivered or export wins achieved.</li> <li>• The Buyer shall receive and store such personal data on its CRM (was Export Wins) system</li> </ul>
Duration of the processing	<p>In accordance with the DIT Data Retention Policy.</p>
Nature and purposes of the processing	<p>(i) The Supplier collects and records personal data on its own systems around Export Support Services delivered or export wins achieved; and                      (ii) The Supplier passes the Personal and Export Support Service or export win data to the Buyer via the Buyer's CRM (was export win) System in accordance with the contract</p>

Type of Personal Data	<p>Examples here include:</p> <ul style="list-style-type: none"> <li>- Names</li> <li>- Company address</li> <li>- Personal email (business)</li> <li>- Telephone (business)</li> <li>- Mobile (business)</li> <li>- Date of Birth</li> <li>- National Insurance number</li> <li>- Pay</li> <li>- Images</li> <li>- Visitor passport information to support UK trade missions arranged by the Supplier</li> <li>- and all other Personal Data (as defined in the GDPR)</li> </ul>
Categories of Data Subject	<i>UK Exporters</i>
Plan for return and destruction of the data once the processing is complete UNLESS requirement under union or member state law to preserve that type of data	<p>From contract award to 1 year after contract completion.  At contract end - data will be transferred to DIT and DIT will process the data in line with Data Hub's retention policy. Supplier to destroy all data.</p>

## **ANNEX 2 - JOINT CONTROLLER AGREEMENT**

### **1. Joint Controller Status and Allocation of Responsibilities**

- 1.1 With respect to Personal Data under Joint Control of the Parties, the Parties envisage that they shall each be a Data Controller in respect of that Personal Data in accordance with the terms of this Annex 2 (Joint Controller Agreement) in replacement of paragraphs 2-15 of Schedule 15 (Where one Party is Controller and the other Party is Processor) and paragraphs 7-27 of Schedule 15 (Independent Controllers of Personal Data). Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Data Controllers.
- 1.2 The Parties agree that the Buyer:
- (a) is the exclusive point of contact for Data Subjects and is responsible for all steps necessary to comply with the GDPR regarding the exercise by Data Subjects of their rights under the GDPR;
  - (b) shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;
  - (c) is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the GDPR;
  - (d) is responsible for obtaining the informed consent of Data Subjects, in accordance with the GDPR, for Processing in connection with the Services where consent is the relevant legal basis for that Processing; and
  - (e) shall make available to Data Subjects the essence of this Annex (and notify them of any changes to it) concerning the allocation of responsibilities as Joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the Buyer's privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).
- 1.3 Notwithstanding the terms of clause 1.2, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Controller.

### **2. UNDERTAKINGS OF BOTH PARTIES**

- 2.1 The Supplier and the Buyer each undertake that they shall:

- (a) report to the other Party every month
  - (i) the volume of Data Subject Access Request (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);
  - (ii) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
  - (iii) any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;
  - (iv) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
  - (v) any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law,

that it has received in relation to the subject matter of the Contract during that period;

- (b) notify each other immediately if it receives any request, complaint or communication made as referred to in clauses 2.1(a)(i) to (v);
- (c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in clauses 2.1(a)(iii) to (v) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation;
- (d) not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, save where such disclosure or transfer is specifically authorised under the Contract or is required by Law). For the avoidance of doubt, the third party to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Annex;
- (e) request from the Data Subject only the minimum information necessary to provide the Services and treat such extracted information as Confidential Information;
- (f) ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful Processing of the Personal Data

and/or accidental loss, destruction or damage to the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data;

- (g) take all reasonable steps to ensure the reliability and integrity of any of its Personnel who have access to the Personal Data and ensure that its Personnel:
  - (i) are aware of and comply with their duties under this Annex 2 (Joint Controller Agreement) and those in respect of Confidential Information
  - (ii) are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where the that Party would not be permitted to do so;
  - (iii) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
- (h) ensure that it has in place Protective Measures as appropriate to protect against a Personal Data Breach having taken account of the:
  - (i) nature of the data to be protected;
  - (i) harm that might result from a Personal Data Breach;
  - (iii) state of technological development; and
  - (iv) cost of implementing any measures;
- (i) ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that the Supplier holds; and
- (j) ensure that it notifies the other Party as soon as it becomes aware of a Personal Data Breach.

2.2 Each Joint Controller shall use its reasonable endeavours to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its obligations under applicable Data Protection Legislation to the extent it is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations

### **3. DATA PROTECTION BREACH**

- 3.1 Without prejudice to Clause 3.2, each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Personal Data Breach or circumstances that are likely to give rise to a Personal Data Breach, providing the Buyer and its advisors with:
- (a) sufficient information and in a timescale which allows the other Party to meet any obligations to report a Personal Data Breach under the Data Protection Legislation;
  - (b) (all reasonable assistance, including:
    - (i) co-operation with the other Party and the Information Commissioner investigating the Personal Data Breach and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;
    - (ii) co-operation with the other Party including taking such reasonable steps as are directed by the Buyer to assist in the investigation, mitigation and remediation of a Personal Data Breach;
    - (iii) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach; and/or
    - (iv) providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Personal Data Breach, with complete information relating to the Personal Data Breach, including, without limitation, the information set out in clause 3.2.
- 3.2 Each Party shall take all steps to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Personal Data Breach as it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Personal Data Breach, including providing the other Party, as soon as possible and within 48 hours of the Personal Data Breach relating to the Personal Data Breach, in particular:
- (a) the nature of the Personal Data Breach;
  - (b) the nature of Personal Data affected;
  - (c) the categories and number of Data Subjects concerned;
  - (d) the name and contact details of the Supplier's Data Protection Officer or other relevant contact from whom more information may be obtained;
  - (e) measures taken or proposed to be taken to address the Personal Data Breach; and
  - (f) describe the likely consequences of the Personal Data Breach.

## **4. AUDIT**

4.1 The Supplier shall permit:

- (a) the Buyer, or a third-party auditor acting under the Buyer's direction, to conduct, at the Buyer's cost, data privacy and security audits, assessments and inspections concerning the Supplier's data security and privacy procedures relating to Personal Data, its compliance with this Annex 2 and the Data Protection Legislation; and/or
- (b) the Buyer, or a third-party auditor acting under the Buyer's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 GDPR by the Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Services.

4.2 The Buyer may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with clause 4.1 in lieu of conducting such an audit, assessment or inspection.

## **5. IMPACT ASSESSMENTS**

5.1 The Parties shall:

- (a) provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to Processing operations, risks and measures); and
- (b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with the Contract, in accordance with the terms of Article 30 GDPR.

## **6. ICO GUIDANCE**

The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Buyer may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Central Government Body.

## **7. LIABILITIES FOR DATA PROTECTION BREACH**

- 7.1 If financial penalties are imposed by the Information Commissioner on either the Buyer or the Supplier for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:
- (a) if in the view of the Information Commissioner, the Buyer is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Buyer, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by the Buyer, then the Buyer shall be responsible for the payment of such Financial Penalties. In this case, the Buyer will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such Personal Data Breach. The Supplier shall provide to the Buyer and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach;
  - (b) if in the view of the Information Commissioner, the Supplier is responsible for the Personal Data Breach, in that it is not a Personal Data Breach that the Buyer is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Buyer and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach; or
  - (c) if no view as to responsibility is expressed by the Information Commissioner, then the Buyer and the Supplier shall work together to investigate the relevant Personal Data Breach and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any financial penalties equally if no responsibility for the Personal Data Breach can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in Clause 34 of the Core Terms (*Resolving disputes*).
- 7.2 If either the Buyer or the Supplier is the defendant in a legal claim brought before a court of competent jurisdiction ("Court") by a third party in respect of a Personal Data Breach, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Personal Data Breach shall be liable for the losses arising from such Personal Data Breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.
- 7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "Claim Losses"):
- a) if the Buyer is responsible for the relevant Personal Data Breach, then the Buyer shall be responsible for the Claim Losses;

- b) if the Supplier is responsible for the relevant Personal Data Breach, then the Supplier shall be responsible for the Claim Losses: and
- c) if responsibility for the relevant Personal Data Breach is unclear, then the Buyer and the Supplier shall be responsible for the Claim Losses equally.

7.4 Nothing in either clause 7.2 or clause 7.3 shall preclude the Buyer and the Supplier reaching any other agreement, including by way of compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Personal Data Breach, having regard to all the circumstances of the Personal Data Breach and the legal and financial obligations of the Buyer.

## **8. TERMINATION**

If the Supplier is in material Default under any of its obligations under this Annex 2 (*Joint Controller Agreement*), the Buyer shall be entitled to terminate the Contract by issuing a Termination Notice to the Supplier in accordance with Clause 10 of the Core Terms (*Ending the contract*).

## **9. SUB-PROCESSING**

9.1 In respect of any Processing of Personal Data performed by a third party on behalf of a Party, that Party shall:

(a) carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by the Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and

(b) ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

## **10. DATA RETENTION**

The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by the Party for statutory compliance purposes or as otherwise required by the Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

## **Schedule 16 (Variation Form)**

## 1 VARIATION FORM

This form is to be used in order to change a contract in accordance with Clause 24 of the Core Terms (Changing the Contract)

<b>Contract Details</b>	
This variation is between:	[Buyer] (“the Buyer”) And [insert] name of Supplier] (“the Supplier”)
Contract name:	[insert] name of contract to be changed] (“the Contract”)
Contract reference number:	[insert] contract reference number]
<b>Details of Proposed Variation</b>	
Variation initiated by:	[delete] as applicable: Buyer/Supplier]
Variation number:	[insert] variation number]
Date variation is raised:	[insert] date]
Proposed variation	
Reason for the variation:	[insert] reason]
An Impact Assessment shall be provided within:	[insert] number] Working Days
Timescale for completion of Variation (if appli	
<b>Impact of Variation</b>	
Likely impact of the proposed variation:	[Supplier to insert] assessment of impact]
<b>Outcome of Variation</b>	
Contract variation:	This Contract detailed above is varied as follows: <ul style="list-style-type: none"> <li>[Buyer to insert] original Clauses or Paragraphs to be varied and the changed clause]</li> </ul>
Financial variation:	Original Contract Value: £ [insert] amount]

	Additional cost due to variation:	£ [insert amount]
	New Contract value:	£ [insert amount]

1. This Variation must be agreed and signed by both Parties to the Contract and shall only be effective from the date it is signed by the Buyer
2. Words and expressions in this Variation shall have the meanings given to them in the Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the Buyer

Signature

Date

Name (in  
Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in  
Capitals)

Address



## **Schedule 17 (Insurance)**

1. Without prejudice to its obligations to the Buyer under this Contract, including its indemnity obligations, the Supplier shall for the periods specified in this Schedule take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 and any other insurances as may be required by applicable law (together the "Required Insurances"). The Supplier shall ensure that each of the Required Insurances is effective no later than the date on which the relevant risk commences.
2. The Insurances shall be taken out and maintained with insurers who are of good financial standing and appropriately regulated.
3. The Supplier shall ensure that the third party public liability insurance policy shall contain an indemnity to principals clause under which the Buyer shall be indemnified in respect of claims made against the Buyer in respect of death or bodily injury or third party property damage arising out of or in connection with the Services and for which the Supplier is legally liable.
4. The Supplier shall upon the Effective Date and within 15 Working Days after the renewal or replacement of each of the Required Insurances, provide evidence, in a form satisfactory to the Buyer, that the Required Insurances are in force and effect and meet in full the requirements of this Schedule . Receipt of such evidence by the Buyer shall not in itself constitute acceptance by the Buyer or relieve the Supplier of any of its liabilities and obligations under this Contract.
5. Where the Supplier has failed to purchase any of the Required Insurances or maintain any of the Required Insurance in full force and effect, the Buyer may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Required Insurances, and the Buyer shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.
6. Subject to paragraph 7, the Supplier shall notify the Buyer in writing at least 5 Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
7. Without prejudice to the Supplier's obligations under paragraph 6 shall not apply where the termination of any Required Insurances occurs purely as a result of a change of insurer in respect of any of the Insurances required to be taken out and maintained in accordance with this Schedule.
8. In the event that the Buyer receives a claim relating to or arising out of the Services and/or this Contract, the Supplier shall co-operate with the Buyer and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.

9. Except where the Buyer is the claimant party, the Supplier shall give the Buyer notice within 20 Working Days after any insurance claim in excess of £100,000 relating to or arising out of the provision of the Services or this Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Buyer) full details of the incident giving rise to the claim.
10. Where any Required Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
11. Where any Required Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Buyer any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

## ANNEX 1: Required Insurances

### **PART A: THIRD PARTY PUBLIC AND PRODUCTS LIABILITY INSURANCE**

#### **1 Insured**

The Supplier

#### **2 Interest**

To indemnify the insured (as specified in paragraph 1 above) in respect of all sums which the insured (as specified in paragraph 1 above) shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

- (a) death or bodily injury to or sickness, illness or disease contracted by any person; and
- (b) loss of or damage to property;

happening during the period of insurance (as specified in paragraph 4 below) and arising out of or in connection with the provision of the Services and in connection with this Contract.

#### **3 Limit of indemnity**

[REDACTED]

#### **4 Period of insurance**

From the date of this Contract and for the duration of the Contract, renewable on an annual basis unless agreed otherwise by the Buyer in writing.

#### **5 Cover features and extensions**

Indemnity to principals clause or additional insured equivalent under which the Buyer shall be indemnified in respect of claims made against the Buyer in respect of death or bodily injury or third party property damage arising out of or in connection with the Contract and for which the Supplier is legally liable.

#### **6 Principal exclusions**

- 6.1 War and related perils.
- 6.2 Nuclear and radioactive risks.
- 6.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured during the course of their employment.

#### **7 Maximum deductible threshold**

Not to exceed **£[Nil]** for each and every claim.

## **PART B: PROFESSIONAL INDEMNITY INSURANCE**

### **1 Insured**

The Supplier

### **2 Interest**

To indemnify the insured (as specified in paragraph 1 above) for all sums which the insured (as specified in paragraph 1 above) shall become legally liable to pay (including claimants' costs and expenses) as a result of claims first made against the Insured during the period of insurance (as specified in Paragraph 5 below) by reason of any negligent act, error and/or omission arising from or in connection with the provision of the Services.

### **3 Limit of indemnity**

[REDACTED]

### **4 Period of insurance**

From the date of this Contract and renewable on an annual basis unless agreed otherwise by the Buyer in writing (a) throughout the period of the Contract or until earlier termination of this Contract and (b) for a period of 6 years thereafter.

### **5 Cover features and extensions**

Retroactive cover to apply to any "claims made policy wording" in respect of this Contract or retroactive date to be no later than the Effective Date.

### **6 Principal exclusions**

6.1 War and related perils

6.2 Nuclear and radioactive risks

### **7 Maximum deductible threshold**

Not to exceed **£[Nil]** for each and every claim.



## **Schedule 18 (Guarantee)**

1. DEFINITIONS

1.1 Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

2. GUARANTEE

2.1 Where a Buyer has notified the Supplier that the award of the Contract by the Buyer shall be conditional upon receipt of a valid Guarantee, then, on or prior to the execution of the Contract, as a condition for the award of that Contract, the Supplier shall deliver to the Buyer:

2.2 an executed Guarantee from a Guarantor; and

2.2.1 a certified copy extract of the board minutes and/or resolution of the Guarantor approving the execution of the Guarantee.

2.3 Where a Buyer has procured a Guarantee from the Supplier under Paragraph 1 above, the Buyer may terminate the Contract for material Default where:

2.3.1 the Guarantor withdraws the Guarantee for any reason whatsoever;

2.3.2 the Guarantor is in breach or anticipatory breach of the Guarantee;

2.3.3 an Insolvency Event occurs in respect of the Guarantor;

2.3.4 the Guarantee becomes invalid or unenforceable for any reason whatsoever; or

2.3.5 the Supplier fails to provide the documentation required by Paragraph 2.1 by the date so specified by the Buyer;

2.3.6 and in each case the Guarantee (as applicable) is not replaced by an alternative guarantee agreement acceptable to the Buyer.

## **Annex 1 – Form of Guarantee**

**[Guidance Note:** this is a draft form of guarantee which can be used to procure a Guarantee, but it will need to be amended to reflect the Beneficiary's requirements.]

**[INSERT** NAME OF THE GUARANTOR]

- AND -

**[INSERT** NAME OF THE BENEFICIARY]

**DEED OF GUARANTEE**

## DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made the                      day of                      20[ ]

### PROVIDED BY:

[Insert the name of the Guarantor] [a company incorporated in England and Wales] with number [insert company no.] whose registered office is at [insert details of the Guarantor's registered office here] [OR] [a company incorporated under the laws of [insert country], registered in [insert country] with number [insert number] at [insert place of registration], whose principal office is at [insert office details] ("**Guarantor**")

### WHEREAS:

(A)                      The Guarantor has agreed, in consideration of the Beneficiary entering into the Guaranteed Agreement with the Supplier, to guarantee all of the Supplier's obligations under the Guaranteed Agreement.

(B)                      It is the intention of the Parties that this document be executed and take effect as a deed.

Now in consideration of the Beneficiary entering into the Guaranteed Agreement, the Guarantor hereby agrees for the benefit of the Beneficiary as follows:

## 1. DEFINITIONS AND INTERPRETATION

In this Deed of Guarantee:

1.1                      unless defined elsewhere in this Deed of Guarantee or the context requires otherwise, defined terms shall have the same meaning as they have for the purposes of the Guaranteed Agreement;

1.2                      the words and phrases below shall have the following meanings:

**[Guidance Note]**: Insert and/or settle Definitions, including from the following list

1

**"Beneficiary(s)"**                      2 means all the Buyer(s) under a Contract [*insert name of the Buyer with whom the Supplier enters into the Contract*] and "Beneficiaries" shall be construed accordingly;

**"Goods"**                                      3 has the meaning given to it in the Contract;

**"Guaranteed Agreement"**                      4 means the contract with Contract Reference [**insert contract reference number**] for the Goods and/or

Services dated on or about the date hereof made between the Beneficiary and the Supplier ;

**"Guaranteed Obligations"**

5 means all obligations and liabilities of the Supplier to the Beneficiary under the Guaranteed Agreement together with all obligations owed by the Supplier to the Beneficiary that are supplemental to, incurred under, ancillary to or calculated by reference to the Guaranteed Agreement;

**"Services"**

6 has the meaning given to it in the Contract;

**"Supplier"**

means [Insert the name, address and registration number of the Supplier as each appears in the Award Form].

- 1.3 references to this Deed of Guarantee and any provisions of this Deed of Guarantee or to any other document or agreement (including to the Guaranteed Agreement) are to be construed as references to this Deed of Guarantee, those provisions or that document or agreement in force for the time being and as amended, varied, restated, supplemented, substituted or novated from time to time;
- 1.4 unless the context otherwise requires, words importing the singular are to include the plural and vice versa;
- 1.5 references to a person are to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect;
- 1.6 the words "other" and "otherwise" are not to be construed as confining the meaning of any following words to the class of thing previously stated where a wider construction is possible;
- 1.7 unless the context otherwise requires, reference to a gender includes the other gender and the neuter;
- 1.8 unless the context otherwise requires, references to an Act of Parliament, statutory provision or statutory instrument include a reference to that Act of Parliament, statutory provision or statutory instrument as amended, extended or re-enacted from time to time and to any regulations made under it;
- 1.9 unless the context otherwise requires, any phrase introduced by the words "including", "includes", "in particular", "for example" or similar,

shall be construed as illustrative and without limitation to the generality of the related general words;

- 1.10 references to Clauses and Schedules are, unless otherwise provided, references to Clauses and Schedules to this Deed of Guarantee; and
- 1.11 references to liability are to include any liability whether actual, contingent, present or future.

## **2. GUARANTEE AND INDEMNITY**

- 2.1 The Guarantor irrevocably and unconditionally guarantees and undertakes to the Beneficiary to procure that the Supplier duly and punctually performs all of the Guaranteed Obligations now or hereafter due, owing or incurred by the Supplier to the Beneficiary.
- 2.2 The Guarantor irrevocably and unconditionally undertakes upon demand to pay to the Beneficiary all monies and liabilities which are now or at any time hereafter shall have become payable by the Supplier to the Beneficiary under or in connection with the Guaranteed Agreement or in respect of the Guaranteed Obligations as if it were a primary obligor.  
If at any time the Supplier shall fail to perform any of the Guaranteed Obligations, the Guarantor, as primary obligor, irrevocably and unconditionally undertakes to the Beneficiary that, upon first demand by the Beneficiary it shall, at the cost and expense of the Guarantor:
  - 2.2.1 fully, punctually and specifically perform such Guaranteed Obligations as if it were itself a direct and primary obligor to the Beneficiary in respect of the Guaranteed Obligations and liable as if the Guaranteed Agreement had been entered into directly by the Guarantor and the Beneficiary; and
  - 2.2.2 as a separate and independent obligation and liability, indemnify and keep the Beneficiary indemnified against all losses, damages, costs and expenses (including VAT thereon, and including, without limitation, all court costs and all legal fees on a solicitor and own client basis, together with any disbursements,) of whatever nature which may result or which such Beneficiary may suffer, incur or sustain arising in any way whatsoever out of a failure by the Supplier to perform the Guaranteed Obligations save that, subject to the other provisions of this Deed of Guarantee, this shall not be construed as imposing greater obligations or liabilities on the Guarantor than are purported to be imposed on the Supplier under the Guaranteed Agreement.
- 2.3 As a separate and independent obligation and liability from its obligations and liabilities under Clauses 2.1 to 2.3 above, the

Guarantor as a primary obligor irrevocably and unconditionally undertakes to indemnify and keep the Beneficiary indemnified on demand against all losses, damages, costs and expenses (including VAT thereon, and including, without limitation, all legal costs and expenses), of whatever nature, whether arising under statute, contract or at common law, which such Beneficiary may suffer or incur if any obligation guaranteed by the Guarantor is or becomes unenforceable, invalid or illegal as if the obligation guaranteed had not become unenforceable, invalid or illegal provided that the Guarantor's liability shall be no greater than the Supplier's liability would have been if the obligation guaranteed had not become unenforceable, invalid or illegal.

### **3. OBLIGATION TO ENTER INTO A NEW CONTRACT**

If the Guaranteed Agreement is terminated for any reason, whether by the Beneficiary or the Supplier, or if the Guaranteed Agreement is disclaimed by a liquidator of the Supplier or the obligations of the Supplier are declared to be void or voidable for any reason, then the Guarantor will, at the request of the Beneficiary enter into a contract with the Beneficiary in terms mutatis mutandis the same as the Guaranteed Agreement and the obligations of the Guarantor under such substitute agreement shall be the same as if the Guarantor had been original obligor under the Guaranteed Agreement or under an agreement entered into on the same terms and at the same time as the Guaranteed Agreement with the Beneficiary.

### **4. DEMANDS AND NOTICES**

- 4.1 Any demand or notice served by the Beneficiary on the Guarantor under this Deed of Guarantee shall be in writing, addressed to:

**[Insert]** Address of the Guarantor in England and Wales]

**[Insert]** Facsimile Number]

For the Attention of **[Insert details]**

or such other address in England and Wales or facsimile number as the Guarantor has from time to time notified to the Beneficiary in writing in accordance with the terms of this Deed of Guarantee as being an address or facsimile number for the receipt of such demands or notices.

- 4.2 Any notice or demand served on the Guarantor or the Beneficiary under this Deed of Guarantee shall be deemed to have been served:

- 4.2.1 if delivered by hand, at the time of delivery; or

- 4.2.2 if posted, at 10.00 a.m. on the second Working Day after it was put into the post; or
- 4.2.3 if sent by facsimile, at the time of despatch, if despatched before 5.00 p.m. on any Working Day, and in any other case at 10.00 a.m. on the next Working Day.
- 4.3 In proving service of a notice or demand on the Guarantor or the Beneficiary it shall be sufficient to prove that delivery was made, or that the envelope containing the notice or demand was properly addressed and posted as a prepaid first class recorded delivery letter, or that the facsimile message was properly addressed and despatched, as the case may be.
- 4.4 Any notice purported to be served on the Beneficiary under this Deed of Guarantee shall only be valid when received in writing by the Beneficiary.

## **5. BENEFICIARY'S PROTECTIONS**

- 5.1 The Guarantor shall not be discharged or released from this Deed of Guarantee by any arrangement made between the Supplier and the Beneficiary (whether or not such arrangement is made with or without the assent of the Guarantor) or by any amendment to or termination of the Guaranteed Agreement or by any forbearance or indulgence whether as to payment, time, performance or otherwise granted by the Beneficiary in relation thereto (whether or not such amendment, termination, forbearance or indulgence is made with or without the assent of the Guarantor) or by the Beneficiary doing (or omitting to do) any other matter or thing which but for this provision might exonerate the Guarantor.
- 5.2 This Deed of Guarantee shall be a continuing security for the Guaranteed Obligations and accordingly:
  - 5.2.1 it shall not be discharged, reduced or otherwise affected by any partial performance (except to the extent of such partial performance) by the Supplier of the Guaranteed Obligations or by any omission or delay on the part of the Beneficiary in exercising its rights under this Deed of Guarantee;
  - 5.2.2 it shall not be affected by any dissolution, amalgamation, reconstruction, reorganisation, change in status, function, control or ownership, insolvency, liquidation, administration, appointment of a receiver, voluntary arrangement, any legal limitation or other incapacity, of the Supplier, the Beneficiary, the Guarantor or any other person;

- 5.2.3 if, for any reason, any of the Guaranteed Obligations shall prove to have been or shall become void or unenforceable against the Supplier for any reason whatsoever, the Guarantor shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and the Guarantor were principal debtor in respect thereof; and
- 5.2.4 the rights of the Beneficiary against the Guarantor under this Deed of Guarantee are in addition to, shall not be affected by and shall not prejudice, any other security, guarantee, indemnity or other rights or remedies available to the Beneficiary.
- 5.3 The Beneficiary shall be entitled to exercise its rights and to make demands on the Guarantor under this Deed of Guarantee as often as it wishes and the making of a demand (whether effective, partial or defective) in respect of the breach or non performance by the Supplier of any Guaranteed Obligation shall not preclude the Beneficiary from making a further demand in respect of the same or some other default in respect of the same Guaranteed Obligation.
- 5.4 The Beneficiary shall not be obliged before taking steps to enforce this Deed of Guarantee against the Guarantor to obtain judgment against the Supplier or the Guarantor or any third party in any court, or to make or file any claim in a bankruptcy or liquidation of the Supplier or any third party, or to take any action whatsoever against the Supplier or the Guarantor or any third party or to resort to any other security or guarantee or other means of payment. No action (or inaction) by the Beneficiary in respect of any such security, guarantee or other means of payment shall prejudice or affect the liability of the Guarantor hereunder.
- 5.5 The Beneficiary's rights under this Deed of Guarantee are cumulative and not exclusive of any rights provided by law and may be exercised from time to time and as often as the Beneficiary deems expedient.
- 5.6 Any waiver by the Beneficiary of any terms of this Deed of Guarantee, or of any Guaranteed Obligations shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.
- 5.7 Any release, discharge or settlement between the Guarantor and the Beneficiary shall be conditional upon no security, disposition or payment to the Beneficiary by the Guarantor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled the

Beneficiary shall be entitled to enforce this Deed of Guarantee subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made. The Beneficiary shall be entitled to retain this security after as well as before the payment, discharge or satisfaction of all monies, obligations and liabilities that are or may become due owing or incurred to the Beneficiary from the Guarantor for such period as the Beneficiary may determine.

- 5.8 The Guarantor shall afford any auditor of the Beneficiary appointed under the Guaranteed Agreement access to such records and accounts at the Guarantor's premises and/or provide such records and accounts or copies of the same, as may be required and agreed with any of the Beneficiary's auditors from time to time, in order that the Auditor may identify or investigate any circumstances which may impact upon the financial stability of the Guarantor.

## **6. GUARANTOR INTENT**

Without prejudice to the generality of Clause 5 (Beneficiary's protections), the Guarantor expressly confirms that it intends that this Deed of Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Guaranteed Agreement and any associated fees, costs and/or expenses.

## **7. RIGHTS OF SUBROGATION**

- 7.1 The Guarantor shall, at any time when there is any default in the performance of any of the Guaranteed Obligations by the Supplier and/or any default by the Guarantor in the performance of any of its obligations under this Deed of Guarantee, exercise any rights it may have:

- 7.1.1 of subrogation and indemnity;
- 7.1.2 to take the benefit of, share in or enforce any security or other guarantee or indemnity for the Supplier's obligations; and
- 7.1.3 to prove in the liquidation or insolvency of the Supplier,

only in accordance with the Beneficiary's written instructions and shall hold any amount recovered as a result of the exercise of such rights on trust for the Beneficiary and pay the same to the Beneficiary on first demand. The Guarantor hereby acknowledges that it has not taken any security from the Supplier and agrees not to do so until Beneficiary receives all moneys payable hereunder and will hold any security taken in breach of this Clause on trust for the Beneficiary.

## **8. DEFERRAL OF RIGHTS**

- 8.1 Until all amounts which may be or become payable by the Supplier under or in connection with the Guaranteed Agreement have been irrevocably paid in full, the Guarantor agrees that, without the prior written consent of the Beneficiary, it will not:
- 8.1.1 exercise any rights it may have to be indemnified by the Supplier;
  - 8.1.2 claim any contribution from any other guarantor of the Supplier's obligations under the Guaranteed Agreement;
  - 8.1.3 take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Guaranteed Agreement or of any other guarantee or security taken pursuant to, or in connection with, the Guaranteed Agreement;
  - 8.1.4 demand or accept repayment in whole or in part of any indebtedness now or hereafter due from the Supplier; or
  - 8.1.5 claim any set-off or counterclaim against the Supplier;
- 8.2 If the Guarantor receives any payment or other benefit or exercises any set off or counterclaim or otherwise acts in breach of this Clause 8, anything so received and any benefit derived directly or indirectly by the Guarantor therefrom shall be held on trust for the Beneficiary and applied in or towards discharge of its obligations to the Beneficiary under this Deed of Guarantee.

## **9. REPRESENTATIONS AND WARRANTIES**

- 9.1 The Guarantor hereby represents and warrants to the Beneficiary that:
- 9.1.1 the Guarantor is duly incorporated and is a validly existing company under the laws of its place of incorporation, has the capacity to sue or be sued in its own name and has power to carry on its business as now being conducted and to own its property and other assets;
  - 9.1.2 the Guarantor has full power and authority to execute, deliver and perform its obligations under this Deed of Guarantee and no limitation on the powers of the Guarantor will be exceeded as a result of the Guarantor entering into this Deed of Guarantee;
  - 9.1.3 the execution and delivery by the Guarantor of this Deed of Guarantee and the performance by the Guarantor of its obligations under this Deed of Guarantee including, without limitation entry into and performance of a contract pursuant to Clause 3, have been

duly authorised by all necessary corporate action and do not contravene or conflict with:

- 9.1.3.1 the Guarantor's memorandum and articles of association or other equivalent constitutional documents;
- 9.1.3.2 any existing law, statute, rule or regulation or any judgment, decree or permit to which the Guarantor is subject; or
- 9.1.3.3 the terms of any agreement or other document to which the Guarantor is a Party or which is binding upon it or any of its assets;
- 9.1.3.4 all governmental and other authorisations, approvals, licences and consents, required or desirable, to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed of Guarantee, and to make this Deed of Guarantee admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect; and
- 9.1.3.5 this Deed of Guarantee is the legal, valid and binding obligation of the Guarantor and is enforceable against the Guarantor in accordance with its terms.

## **10. PAYMENTS AND SET-OFF**

All sums payable by the Guarantor under this Deed of Guarantee shall be paid without any set-off, lien or counterclaim, deduction or withholding, howsoever arising, except for those required by law, and if any deduction or withholding must be made by law, the Guarantor will pay that additional amount which is necessary to ensure that the Beneficiary receives a net amount equal to the full amount which it would have received if the payment had been made without the deduction or withholding.

The Guarantor shall pay interest on any amount due under this Deed of Guarantee at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.

The Guarantor will reimburse the Beneficiary for all legal and other costs (including VAT) incurred by the Beneficiary in connection with the enforcement of this Deed of Guarantee.

## **11. GUARANTOR'S ACKNOWLEDGEMENT**

The Guarantor warrants, acknowledges and confirms to the Beneficiary that it has not entered into this Deed of Guarantee in reliance upon, nor has it been induced to enter into this Deed of Guarantee by any representation, warranty or undertaking made by or on behalf of the Beneficiary (whether express or implied and whether pursuant to statute or otherwise) which is not set out in this Deed of Guarantee.

## **12. ASSIGNMENT**

12.1 The Beneficiary shall be entitled to assign or transfer the benefit of this Deed of Guarantee at any time to any person without the consent of the Guarantor being required and any such assignment or transfer shall not release the Guarantor from its liability under this Guarantee.

12.2 The Guarantor may not assign or transfer any of its rights and/or obligations under this Deed of Guarantee.

## **13. SEVERANCE**

If any provision of this Deed of Guarantee is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this Deed of Guarantee had been executed with the invalid, illegal or unenforceable provision eliminated.

## **14. THIRD PARTY RIGHTS**

Other than the Beneficiary, a person who is not a Party to this Deed of Guarantee shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed of Guarantee. This Clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

## **15. SURVIVAL**

This Deed of Guarantee shall survive termination or expiry of the Guaranteed Agreement.

## **16. GOVERNING LAW**

16.1 This Deed of Guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with English law.

16.2 The Guarantor irrevocably agrees for the benefit of the Beneficiary that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings and to settle any dispute which may arise out of or in connection with this Deed of Guarantee and for such purposes hereby irrevocably submits to the jurisdiction of such courts.

16.3 Nothing contained in this Clause shall limit the rights of the Beneficiary to take proceedings against the Guarantor in any other court of competent jurisdiction, nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any

other jurisdiction, whether concurrently or not (unless precluded by applicable law).

- 16.4 The Guarantor irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this Clause on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum.

**[Guidance Note:** Include the above provision when dealing with the appointment of English process agent by a non English incorporated Guarantor]

[The Guarantor hereby irrevocably designates, appoints and empowers [the Supplier] [a suitable alternative to be agreed if the Supplier's registered office is not in England or Wales] either at its registered office or on facsimile number [insert fax no.] from time to time to act as its authorised agent to receive notices, demands, service of process and any other legal summons in England and Wales for the purposes of any legal action or proceeding brought or to be brought by the Beneficiary in respect of this Deed of Guarantee. The Guarantor hereby irrevocably consents to the service of notices and demands, service of process or any other legal summons served in such way.]

IN WITNESS whereof the Guarantor has caused this instrument to be executed and delivered as a Deed the day and year first before written.

EXECUTED as a DEED by

**[Insert name of the Guarantor]** acting by **[Insert/print names]**

Director

Director/Secretary

## **Schedule 19 (Financial Distress)**

## 1 DEFINITIONS

Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule

## 2 WARRANTIES AND DUTY TO NOTIFY

2.1 The Supplier warrants and represents to the Buyer for the benefit of the Buyer that as at the Effective Date:

- (a) the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Annex 3 of this Schedule; and
- (b) the financial position or, as appropriate, the financial performance of each of the Supplier, Guarantor and Key Sub-contractors satisfies the Financial Target Thresholds.

2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group (and in any event within 5 Working Days of the occurrence of the downgrade).

2.3 The Supplier shall:

- (a) regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies;
- (b) monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each at Paragraph 5.1 (where specified) and in any event, on a regular basis and no less than once a year within 120 days after the Accounting Reference Date; and
- (c) promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event (and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event).

2.4 For the purposes of determining whether a Financial Distress Event has occurred pursuant to the provisions of Paragraphs 3.1(a), and for the purposes of determining relief under Paragraph 7.1, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if:

- (a) any of the Rating Agencies have given a Credit Rating Level for that entity which is below the applicable Credit Rating Threshold; or

- (b) a Rating Agency that is specified as holding a Credit Rating for an entity as set out at Annex 3 of this Schedule ceases to hold a Credit Rating for that entity.

2.5 Each report submitted by the Supplier pursuant to paragraph 2.3(b) shall:

- (a) be a single report with separate sections for each of the FDE Group entities;
- (b) contain a sufficient level of information to enable the Buyer to verify the calculations that have been made in respect of the Financial Indicators;
- (c) include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes;
- (d) be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
- (e) include a history of the Financial Indicators reported by the Supplier in graph form to enable the Buyer to easily analyse and assess the trends in financial performance.

### **3 FINANCIAL DISTRESS EVENTS**

3.1 The following shall be Financial Distress Events:

- (a) the credit rating of an FDE Group entity dropping below the applicable Credit Rating Threshold;
- (b) an FDE Group entity issuing a profits warning to a stock exchange or making any other public announcement, in each case about a material deterioration in its financial position or prospects;
- (c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;
- (d) an FDE Group entity committing a material breach of covenant to its lenders;
- (e) a Key Subcontractor notifying the Buyer that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute;

- (f) an FDE Group entity failing to file its accounts by the date required by the relevant authority in the region the FDE Group entity is operating without notifying the Buyer in advance and providing the Buyer with any information in respect of the late filing that the Buyer may reasonably require to satisfy itself that the FDE Group entity has not filed accounts late due to financial distress;
- (g) any of the following:
  - (i) commencement of any litigation against an FDE Group entity with respect to financial indebtedness greater than £5m or obligations under a service contract with a total contract value greater than £5m;
  - (ii) non-payment by an FDE Group entity of any financial indebtedness;
  - (iii) any financial indebtedness of an FDE Group entity becoming due as a result of an event of default;
  - (iv) the cancellation or suspension of any financial indebtedness in respect of an FDE Group entity; or
  - (v) the external auditor of an FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in, its opinion on the statutory accounts of that FDE entity;

in each case which the Buyer reasonably believes (or would be likely reasonably to believe) could directly impact on the continued performance and delivery of the Services in accordance with this Contract; and

- (h) any three or more of the Financial Indicators set out at Paragraph 5 for any of the FDE Group entities failing to meet the required Financial Target Threshold; and
- (i) the Buyer observes a downward trend in the Financial Indicators set out at Paragraph 5 for any of the FDE Group Entities over 2 years of the contractual lifetime.

#### **4 CONSEQUENCES OF FINANCIAL DISTRESS EVENTS**

- 4.1 Immediately upon notification by the Supplier of a Financial Distress Event (or if the Buyer becomes aware of a Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Buyer shall have the rights and remedies as set out in Paragraphs 4.3 to 4.6.
- 4.2 In the event of a late or non-payment of a Key Sub-contractor pursuant to Paragraph 3.1(e), the Buyer shall not exercise any of its rights or remedies under Paragraph 4.3 without first giving the Supplier 10 Working Days to:

- (a) rectify such late or non-payment; or
  - (b) demonstrate to the Buyer's reasonable satisfaction that there is a valid reason for late or non-payment.
- 4.3 The Supplier shall (and shall procure that any Monitored Supplier, the Guarantor and/or any relevant Key Sub-contractor shall):
- (a) at the request of the Buyer, meet the Buyer as soon as reasonably practicable (and in any event within 3 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Buyer may permit and notify to the Supplier in writing) to review the effect of the Financial Distress Event on the continued performance and delivery of the Services in accordance with this Contract; and
  - (b) where the Buyer reasonably believes (taking into account the discussions and any representations made under Paragraph 4.3(a) that the Financial Distress Event could impact on the continued performance and delivery of the Services in accordance with this Contract:
    - (i) submit to the Buyer for its approval, a draft Financial Distress Remediation Plan as soon as reasonably practicable (and in any event, within 10 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Buyer may permit and notify to the Supplier in writing); and
    - (ii) to the extent that it is legally permitted to do so and subject to Paragraph 4.8, provide such information relating to the Supplier, any Monitored Supplier, Key Sub-contractors and/or the Guarantor as the Buyer may reasonably require in order to understand the risk to the Services, which may include forecasts in relation to cash flow, orders and profits, provision of additional security and details of financial measures being considered to mitigate the impact of the Financial Distress Event.
- 4.4 The Buyer shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Buyer does not approve the draft Financial Distress Remediation Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Remediation Plan, which shall be resubmitted to the Buyer within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is approved by the Buyer or referred to the Dispute Resolution Procedure under Paragraph 4.5.

- 4.5 If the Buyer considers that the draft Financial Distress Remediation Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not ensure the continued performance of the Supplier's obligations in accordance with the Contract, then it may either agree a further time period for the development and agreement of the Financial Distress Remediation Plan or escalate any issues with the draft Financial Distress Remediation Plan using the Dispute Resolution Procedure.
- 4.6 Following approval of the Financial Distress Remediation Plan by the Buyer, the Supplier shall:
- (a) on a regular basis (which shall not be less than fortnightly):
    - (i) review and make any updates to the Financial Distress Remediation Plan as the Supplier may deem reasonably necessary and/or as may be reasonably requested by the Buyer, so that the plan remains adequate, up to date and ensures the continued performance and delivery of the Services in accordance with this Contract; and
    - (ii) provide a written report to the Buyer setting out its progress against the Financial Distress Remediation Plan, the reasons for any changes made to the Financial Distress Remediation Plan by the Supplier and/or the reasons why the Supplier may have decided not to make any changes;
  - (b) where updates are made to the Financial Distress Remediation Plan in accordance with Paragraph 4.6(a), submit an updated Financial Distress Remediation Plan to the Buyer for its approval, and the provisions of Paragraphs 4.4 and 4.5 shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and
  - (c) comply with the Financial Distress Remediation Plan (including any updated Financial Distress Remediation Plan) and ensure that it achieves the financial and performance requirements set out in the Financial Distress Remediation Plan.
- 4.7 Where the Supplier reasonably believes that the relevant Financial Distress Event under Paragraph 4.1 (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Buyer and the Parties may agree that the Supplier shall be relieved of its obligations under Paragraph 4.6.
- 4.8 The Supplier shall use reasonable endeavours to put in place the necessary measures to ensure that the information specified at paragraph 4.3(b)(ii) is available when required and on request from the Buyer and within reasonable timescales. Such measures may include:
- (a) obtaining in advance written authority from Key Sub-contractors, the Guarantor and/or Monitored Suppliers authorising the disclosure of the information to the Buyer and/or entering into confidentiality agreements which permit disclosure;

- (b) agreeing in advance with the Buyer, Key Sub-contractors, the Guarantor and/or Monitored Suppliers a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Buyer;
- (c) putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Buyer (which may include making price sensitive information available to Buyer nominated personnel through confidential arrangements, subject to their consent); and
- (d) disclosing the information to the fullest extent that it is lawfully entitled to do so, including through the use of redaction, anonymization and any other techniques to permit disclosure of the information without breaching a duty of confidentiality.

## **5 FINANCIAL INDICATORS**

- 5.1 Subject to the calculation methodology set out at Annex 4 of this Schedule, the Financial Indicators and the corresponding calculations and thresholds used to determine whether a Financial Distress Event has occurred in respect of those Financial Indicators; shall be as follows:

[Redacted]

[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



<p>■</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
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■ [REDACTED]

<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>

**6 TERMINATION RIGHTS**

The Buyer shall be entitled to terminate this Contract for material Default under Clause 10.4 (When the Buyer Can End the Contract) if:

- (a) the Supplier fails to notify the Buyer of a Financial Distress Event in accordance with Paragraph 2.3(c);

- (b) the Parties fail to agree a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraphs 4.3 to 4.5; and/or
- (c) the Supplier fails to comply with the terms of the Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraph 4.6(c).

## **7 PRIMACY OF CREDIT RATINGS**

7.1 Without prejudice to the Supplier's obligations and the Buyer's rights and remedies under Paragraph 2, if, following the occurrence of a Financial Distress Event pursuant to any of Paragraphs 3.1(b) to 3.1(g), the Rating Agencies review and report subsequently that the credit ratings for the FDE Group entities do not drop below the relevant Credit Rating Thresholds specified for those entities in Annex 3 of this Schedule, then:

- (a) the Supplier shall be relieved automatically of its obligations under Paragraphs 4.3 to 4.6; and
- (b) the Buyer shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 4.3(b)(ii).

## ANNEX 1: RATING AGENCIES AND THEIR STANDARD RATING SYSTEM

- [Rating Agency 1 (Dun & Bradstreet)]

### *Failure Score Rating Scales*

Failure Score Level 1 = 86-100

Failure Score Level 2= 51-85

Failure Score Level 3= 11-50

Failure Score Level 4= 1-10

### *Financial Strength Indicators*

Indicator Level 1= A Tangible Net Worth (£350k - £699,999)

Indicator Level 2= 1A Tangible Net Worth (£700k- £1,499,999)

Indicator Level 3= 2A Tangible Net Worth (£150,000k - £6,999,999)

Indicator Level 4= 3A Tangible Net Worth (£7,000k - £14,999,999)

Indicator Level 5= 4A Tangible Net Worth (£15,000k- £34,999,999)

Indicator Level 6= 5A Tangible Net Worth (£35,000k – And above)

- [Rating Agency 2 (Moody's) ]
  - Credit Rating Level 1 = [Aaa]
  - Credit Rating Level 2 = [Aa1]
  - Credit Rating Level 3 = [Aa2]
  - Credit Rating Level 4 = [Aa3]
  - Credit Rating Level 5 = [A1]
  - Credit Rating Level 6 = [A2]
  - Credit Rating Level 7 = [A3]
  - Credit Rating Level 8 = [Baa1]
  - Credit Rating Level 9 = [Baa2]
  - Credit Rating Level 10 = [Baa3]

- [Rating Agency 3 Company Watch]

H-Score of 25 or more

ANNEX 2: CREDIT RATINGS AND CREDIT RATING THRESHOLDS

<b>Entity</b>	<b>Credit Rating (long term)</b> <i>(insert credit rating issued for the entity at the Effective Date)</i>	<b>Credit Rating Threshold</b> <i>(insert the actual rating (e.g AA-) or the Credit Rating Level (e.g Credit Rating Level 3))</i>
<b>Supplier</b>		████████████████████
		████████████████████ ████████████████████ ████████████████████ ████████████████████
		████████████████████
	<b>Key Sub-Contractor</b>	

### ANNEX 3: Calculation Methodology for Financial Indicators

The Supplier shall ensure that it uses the following general and specific methodologies for calculating the Financial Indicators against the Financial Target Thresholds:

#### General methodology

1. **Terminology:** The terms referred to in this Annex are those used by UK companies in their financial statements. Where the entity is not a UK company, the corresponding items should be used even if the terminology is slightly different (for example a charity would refer to a surplus or deficit rather than a profit or loss).
2. **Groups:** Where the entity is the holding company of a group and prepares consolidated financial statements, the consolidated figures should be used.
3. **Foreign currency conversion:** Figures denominated in foreign currencies should be converted at the exchange rate in force at the relevant date for which the Financial Indicator is being calculated.
4. **Treatment of non-underlying items:** Financial Indicators should be based on the figures in the financial statements before adjusting for non-underlying items.

#### Specific Methodology

Financial Indicator	Specific Methodology
1. <b>Operating Margin</b>	<p>The elements used to calculate the Operating Margin should be shown on the face of the Income Statement in a standard set of financial statements.</p> <p>Figures for Operating Profit and Revenue should exclude the entity's share of the results of any joint ventures or Associates.</p> <p>Where an entity has an operating loss (i.e. where the operating profit is negative), Operating Profit should be taken to be zero.</p>
2. <b>Net Operating Profit</b>	<p>Operating income (before interest payments) should be used as shown on the face of the Income Statement.</p> <p>Figures for Operating Profit and Revenue should exclude the entity's share of the results of any joint ventures or Associates.</p> <p>Where an entity has an operating loss (i.e. where the operating profit is negative), Operating Profit should be taken to be zero.</p>

<p><b>3.</b></p> <p><b>Net Debt to EBITDA Ratio</b></p>	<p><i>[“Net Debt” = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalents</i></p> <p><i>“EBITDA” = Operating profit + Depreciation charge + Amortisation charge</i></p> <p>The majority of the elements used to calculate the Net Debt to EBITDA Ratio should be shown on the face of the Balance sheet, Income statement and Statement of Cash Flows in a standard set of financial statements but will otherwise be found in the notes to the financial statements.</p> <ul style="list-style-type: none"> <li>• <u>Net Debt</u>: The elements of Net Debt may be described slightly differently and should be found either on the face of the Balance Sheet or in the relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be included as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but not non-designated hedges). Borrowings should also include balances owed to other group members.</li> </ul> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p>Where Net debt is negative (i.e. an entity has net cash), the relevant Financial Target Threshold should be treated as having been met.</p> <ul style="list-style-type: none"> <li>• <u>EBITDA</u>: Operating profit should be shown on the face of the Income Statement and, for the purposes of calculating this Financial</li> </ul>

	<p>Indicator, should include the entity's share of the results of any joint ventures or Associates. <i>The depreciation and amortisation charges for the period may be found on the face of the Statement of Cash Flows or in a Note to the Accounts. Where EBITDA is negative, the relevant Financial Target Threshold should be treated as not having been met (unless Net Debt is also negative, in which case the relevant Financial Target Threshold should be treated as having been met).</i></p>
<p><b>4.</b> <b>Net Interest Paid Cover</b></p>	<p><b>“Earnings Before Interest and Tax” =</b> <i>Operating profit</i></p> <p><b>“Net Interest Paid” =</b> <i>Interest paid – Interest received</i></p> <p>Operating profit should be shown on the face of the Income Statement in a standard set of financial statements and, for the purposes of calculating this Financial Indicator, should include the entity's share of the results of any joint ventures or Associates.</p> <p>Interest received and interest paid should be shown on the face of the Cash Flow statement. Where Net interest paid is negative (i.e. the entity has net interest received), the relevant Financial Target Threshold should be treated as having been met.</p>
<p><b>5.</b> <b>Current Ratio</b></p>	<p>All elements that are used to calculate the Current Ratio are available on the face of the Balance Sheet in a standard set of financial statements.</p>
<p><b>6.</b> <b>Net Asset value</b></p>	<p>Net Assets are shown (but sometimes not labelled) on the face of the Balance Sheet of a standard set of financial statements. Net Assets are sometimes called net worth or 'Shareholders' Funds'. They represent the net assets available to the shareholders. Where an</p>

	<p>entity has a majority interest in another entity in which there are also minority or non-controlling interests (i.e. where it has a subsidiary partially owned by outside investors), Net Assets should be taken inclusive of minority or non-controlling interests (as if the entity owned 100% of such entity).</p>
<p><b>7.</b> <b>Free Cash Flow</b></p>	<p>Free cash flow = Net Cash Flow from Operating Activities – Capital Expenditure</p> <p>Capital Expenditure = Purchase of property, plant, &amp; equipment + purchase of intangible assets</p> <p>The majority of the elements used to calculate the Free Cash Flow should be shown on the face of the Statement of Cash Flows in a standard set of financial statements.</p> <ul style="list-style-type: none"> <li>• Net Cash Flow from Operating Activities: This should be stated after deduction of interest and tax paid.</li> <li>• Capital expenditure: The elements of capital expenditure may be described slightly differently but will be found under ‘Cash flows from investing activities’ in the Statement of Cash Flows; they should be limited to the purchase of fixed assets (including intangible assets) for the business and exclude acquisitions. The figure should be shown gross without any deduction for any proceeds of sale of fixed assets.</li> </ul>
<p><b>8.</b> <b>Operating Activities Net Cash Flow</b></p>	<p>This should be stated after deduction of interest and tax paid</p> <p>The majority of the elements used to calculate the Operating Activities Net Cash Flow should be shown in Statement of Cash Flows.</p>

**ANNEX 5: Supplier Board Confirmation**

**Supplier Name:**

**Contract Reference Number:**

The Supplier Board of Directors acknowledge the requirements set out at paragraph 8 of Schedule 19 (Financial Distress) and confirm that the Supplier has exercised due care and diligence and made reasonable enquiry of all relevant Supplier Personnel and other persons as is reasonably necessary to enable the Board to prepare this statement.

The Supplier Board of Directors confirms, to the best of its knowledge and belief, that as at the date of this Supplier Board Confirmation it is not aware of and has no knowledge:

- a) that a Financial Distress Event has occurred since the later of the previous Supplier Board Confirmation and the Effective Date or is subsisting; or
- b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event

On behalf of the Supplier Board of Directors:

Chair .....

Signed .....

Date .....

Director .....

Signed .....

Date .....

## **Schedule 20 (Rectification Plan)**

## Request for [Revised] Rectification Plan

Details of the Default:

Deadline for receiving the [Revised] Rectification Plan:

[add date (minimum 10 days from request)]

Signed by Buyer :

Date:

## Supplier [Revised] Rectification Plan

Cause of the Default

[add cause]

Anticipated impact assessment.

[add impact]

Actual effect of Default:

[add effect]

Steps to be taken to rectification:

Steps

Timescale

1.

[date]

2.

[date]

3.

[date]

4.

[date]

[...]

[date]

Timescale for complete Rectification of Default

 Working Days

Steps taken to prevent recurrence of Default

Steps

Timescale

1.

[date]

2.

[date]

	3.	[date]	
	4.	[date]	
	[...]	[date]	
Signed by the Supplier:		Date:	
<b>Review of Rectification Plan Buyer</b>			
Outcome of review	[Plan Accepted] [Plan Rejected] [Revised Plan Requested]		
Reasons for rejection (if applicable)	[add reasons]		
Signed by Buyer		Date:	

## **Schedule 22 (Key Subcontractors)**

## 1. Restrictions on certain subcontractors

- 1.1 The Supplier is entitled to sub-contract its obligations under the Contract to the Key Subcontractors set out in the Award Form.
- 1.2 Where during the Contract Period the Supplier wishes to enter into a new Key Sub-contract or replace a Key Subcontractor, it must obtain the prior written consent of the Buyer and the Supplier shall, at the time of requesting such consent, provide the Buyer with the information detailed in Paragraph 1.4. The decision of the Buyer to consent or not will not be unreasonably withheld or delayed. Where the Buyer consents to the appointment of a new Key Subcontractor then they will be added to Key Subcontractor section of the Award Form. The Buyer may reasonably withhold their consent to the appointment of a Key Subcontractor if it considers that:
  - 1.2.1 the appointment of a proposed Key Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;
  - 1.2.2 the proposed Key Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or
  - 1.2.3 the proposed Key Subcontractor employs unfit persons.
- 1.3 The Supplier shall provide the Buyer with the following information in respect of the proposed Key Subcontractor:
  - 1.3.1 the proposed Key Subcontractor's name, registered office and company registration number;
  - 1.3.2 the scope/description of any Deliverables to be provided by the proposed Key Subcontractor;
  - 1.3.3 where the proposed Key Subcontractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Buyer that the proposed Key Sub-Contract has been agreed on "arm's-length" terms;
  - 1.3.4 the Key Sub-Contract price expressed as a percentage of the total projected Charges over the Contract Period; and
  - 1.3.5 (where applicable) Credit Rating Threshold (as defined in Schedule 19 (Financial Distress)) of the Key Subcontractor.
- 1.4 If requested by the Buyer, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Paragraph 1.3, the Supplier shall also provide:
  - 1.4.1 a copy of the proposed Key Sub-Contract; and
  - 1.4.2 any further information reasonably requested by the Buyer.
- 1.5 The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:
  - 1.5.1 provisions which will enable the Supplier to discharge its obligations under the Contract;

- 1.5.2 a right under CRTPA for the Buyer to enforce any provisions under the Key Sub-Contract which confer a benefit upon the Buyer;
- 1.5.3 a provision enabling the Buyer to enforce the Key Sub-Contract as if it were the Supplier;
- 1.5.4 a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to the Buyer;
- 1.5.5 obligations no less onerous on the Key Subcontractor than those imposed on the Supplier under the Contract in respect of:
  - (a) the data protection requirements set out in Clause 14 (Data protection);
  - (b) the FOIA and other access request requirements set out in Clause 16 (When you can share information);
  - (c) the obligation not to embarrass the Buyer or otherwise bring the Buyer into disrepute;
  - (d) the keeping of records in respect of the goods and/or services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
  - (e) the conduct of audits set out in Clause 6 (Record keeping and reporting);
- 1.5.6 provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on the Buyer under Clauses 10.4 (When the Buyer can end this contract) and 10.5 (What happens if the contract ends) of this Contract; and
- 1.5.7 a provision restricting the ability of the Key Subcontractor to sub-contract all or any part of the provision of the Deliverables provided to the Supplier under the Key Sub-Contract without first seeking the written consent of the Buyer.

## **Schedule 23 (Key Supplier Staff)**

- 1.1 The Annex 1 to this Schedule lists the key roles (“**Key Roles**”) and names of the persons who the Supplier shall appoint to fill those Key Roles at the Start Date (“**Key Staff**”).
- 1.2 The Supplier shall ensure that the Key Staff fulfil the Key Roles at all times during the Contract Period.
- 1.3 The Buyer may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Staff.
- 1.4 The Supplier shall not and shall procure that any Sub-contractor shall not remove or replace any Key Staff unless:
  - 1.4.1 requested to do so by the Buyer or the Buyer Approves such removal or replacement (not to be unreasonably withheld or delayed);
  - 1.4.2 the person concerned resigns, retires or dies or is on maternity or long-term sick leave; or
  - 1.4.3 the person’s employment or contractual arrangement with the Supplier or Subcontractor is terminated for material breach of contract by the employee.
- 1.5 The Supplier shall:
  - 1.5.1 notify the Buyer promptly of the absence of any Key Staff (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);
  - 1.5.2 ensure that any Key Role is not vacant for any longer than ten (10) Working Days;
  - 1.5.3 give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Staff and, except in the cases of death, unexpected ill health or a material breach of the Key Staff’s employment contract, this will mean at least three (3) Months’ notice;
  - 1.5.4 ensure that all arrangements for planned changes in Key Staff provide adequate periods during which incoming and outgoing staff work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Deliverables; and
  - 1.5.5 ensure that any replacement for a Key Role has a level of qualifications and experience appropriate to the relevant Key Role and is fully competent to carry out the tasks assigned to the Key Staff whom he or she has replaced.
- 1.6 The Buyer may require the Supplier to remove or procure that any Sub-contractor shall remove any Key Staff that the Buyer considers in any respect unsatisfactory. The Buyer shall not be liable for the cost of replacing any Key Staff.



## **Schedule 24 (Exit Management)**

## **1. DEFINITIONS**

1.1. Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## **2. OBLIGATIONS DURING THE TERM TO FACILITATE EXIT**

2.1. During the Contract Period, the Supplier shall:

- (a) create and maintain a register of all:
  - (i) Assets, detailing their:
    - (A) make, model and asset number;
    - (B) ownership and status as either Exclusive Assets or Non-Exclusive Assets;
    - (C) Net Book Value;
    - (D) condition and physical location; and
    - (E) use (including technical specifications); and
  - (ii) Sub-Contracts and other relevant contracts (including relevant software licences, maintenance and support contracts and equipment rental and lease agreements) required for the performance of the Services;
- (b) create and maintain a database which shall contain sufficient detail to permit the Buyer and/or Replacement Supplier to understand how the Supplier provides the Services and to enable the smooth transition of the Services with the minimum of disruption;
- (c) agree the format of the Registers with the Buyer as part of the process of agreeing the Exit Plan; and
- (d) at all times keep the Registers up to date, in particular in the event that Assets, Sub-contracts or other relevant agreements are added to or removed from the Services.

2.2. The Supplier shall procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Contract.

2.3. Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Schedule and provide written notification of such appointment to the other Party within 3 months of the Effective Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-contractors comply with this Schedule. The Supplier shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Contract and all matters

connected with this Schedule and each Party's compliance with it.

### **3. OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES**

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

- (a) details of the Service(s);
- (b) a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;
- (c) an inventory of Buyer Data in the Supplier's possession or control;
- (d) details of any key terms of any third-party contracts and licences, particularly as regards charges, termination, assignment and novation;
- (e) a list of on-going and/or threatened disputes in relation to the provision of the Services;
- (f) to the extent permitted by applicable Law, all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and
- (g) such other material and information as the Buyer shall reasonably require,

(together, the “**Exit Information**”).

3.2. The Supplier acknowledges that the Buyer may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Buyer is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Buyer may not under this Paragraph 3.2 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-Contractors' prices or costs).

3.3. The Supplier shall:

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

3.4. The Supplier may charge the Buyer for its reasonable additional costs to the

extent the Buyer requests more than 4 updates in any 6-month period.

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

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

#### **4. EXIT PLAN**

4.1. The Supplier shall, within 3 months after the Effective Date, deliver to the Buyer an Exit Plan which:

- (a) sets out the Supplier's proposed methodology for achieving an orderly transition of the relevant Services from the Supplier to the Buyer and/or its Replacement Supplier on expiry or termination of this Contract;
- (b) complies with the requirements set out in Paragraph 4.3; and
- (c) is otherwise reasonably satisfactory to the Buyer.

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

4.3. The Exit Plan shall set out, as a minimum:

- (a) how the Exit Information is obtained;
- (b) separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Supplier may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Supplier of all such reasonable assistance as the Buyer shall require to enable the Buyer or its Sub-contractors to provide the Services;
- (c) the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;
- (d) the management structure to be employed during the Termination Assistance Period;
- (e) a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;
- (f) how the Services will transfer to the Replacement Supplier and/or the Buyer, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Buyer's

technology components from any technology components operated by the Supplier or its Sub-Contractors (where applicable);

- (g) the scope of the Termination Services that may be required for the benefit of the Buyer (including such of the services set out in Annex 1 as are applicable);
- (h) a timetable and critical issues for providing the Termination Services;
- (i) any charges that would be payable for the provision of the Termination Services (calculated in accordance with the methodology that would apply if such Services were being treated as a Variation), together with a capped estimate of such charges;
- (j) how the Termination Services would be provided (if required) during the Termination Assistance Period;
- (k) procedures to deal with requests made by the Buyer and/or a Replacement Supplier for Staffing Information pursuant to Schedule 7 (Staff Transfer) and any other information that is necessary for Buyer and/or a Replacement Supplier to comply with the Law in any other jurisdiction in which Supplier employees may be located; and
- (l) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Buyer with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period.

4.4. The Parties acknowledge that the migration of the Services from the Supplier to the Buyer and/or its Replacement Supplier may be phased, such that certain of the Services are handed over before others.

4.5. The Supplier shall review and (if appropriate) update the Exit Plan on a basis consistent with the principles set out in this Schedule in the first month of each Contract Year (commencing with the second Contract Year) and if requested by the Buyer following the occurrence of a Financial Distress Event, within 14 days of such request, to reflect any changes in the Services that have occurred since the Exit Plan was last agreed. Following such update the Supplier shall submit the revised Exit Plan to the Buyer for review. Within 20 Working Days following submission of the revised Exit Plan, the Parties shall meet and use reasonable endeavours to agree the contents of the revised Exit Plan. If the Parties are unable to agree the contents of the revised Exit Plan within that 20 Working Day period, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

### **Finalisation of the Exit Plan**

4.6. Within 20 Working Days after service of a Termination Notice by either Party or 6 months prior to the expiry of this Contract, the Supplier will submit for the Buyer's approval the Exit Plan in a final form that could be implemented immediately. The final form of the Exit Plan shall be prepared on a basis consistent with the principles set out in this Schedule and shall reflect any

changes in the Services that have occurred since the Exit Plan was last agreed.

4.7. The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days following its delivery to the Buyer then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure. Until the Contract of the final form of the Exit Plan, the Supplier shall provide the Termination Services in accordance with the principles set out in this Schedule and the last approved version of the Exit Plan (insofar as relevant).

## **5. TERMINATION SERVICES**

### **Notification of Requirements for Termination Services**

5.1. The Buyer shall be entitled to require the provision of Termination Services at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least 4 months prior to the date of termination or expiry of this Contract or as soon as reasonably practicable (but in any event, not later than 1 month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

- (a) the date from which Termination Services are required;
- (b) the nature of the Termination Services required; and
- (c) the period during which it is anticipated that Termination Services will be required, which shall continue no longer than 24 months after the date that the Supplier ceases to provide the terminated Services.

5.2. The Buyer shall have:

- (a) an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than 6 months after the date the Supplier ceases to provide the terminated Services or, if applicable, beyond the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than 20 Working Days prior to the date on which the provision of Termination Services is otherwise due to expire; and
- (b) the right to terminate its requirement for Termination Services by serving not less than 20 Working Days' written notice upon the Supplier to such effect.

### **Termination Assistance Period**

5.3. Throughout the Termination Assistance Period, or such shorter period as the Buyer may require, the Supplier shall:

- (a) continue to provide the Services (as applicable) and, if required by the

Buyer pursuant to Paragraph 5.1, provide the Termination Services;

- (b) in addition to providing the Services and the Termination Services, provide to the Buyer any reasonable assistance requested by the Buyer to allow the Services to continue without interruption following the termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Buyer and/or its Replacement Supplier;
  - (c) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 5.3(b) without additional costs to the Buyer;
  - (d) provide the Services and the Termination Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 5.5; and
  - (e) at the Buyer's request and on reasonable notice, deliver up-to-date Registers to the Buyer.
- 5.4. Without prejudice to the Supplier's obligations under Paragraph 5.3(c), if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 5.3(b) without additional costs to the Buyer, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be subject to the Variation Procedure.
- 5.5. If the Supplier demonstrates to the Buyer's reasonable satisfaction that transition of the Services and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Target Performance Level(s), the Parties shall vary the relevant Target Performance Level(s) and/or the applicable Service Credits to take account of such adverse effect.

### **Termination Obligations**

- 5.6. The Supplier shall comply with all of its obligations contained in the Exit Plan in respect of any termination.
- 5.7. At the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated, the Supplier shall:
- (a) cease to use the Buyer Data;
  - (b) not be permitted to use the Buyer branding or any other material provided by the Buyer in connection with this Contract in any publication, or marketing materials or collateral;
  - (c) not be permitted to represent themselves as in any way connected with the Buyer, save in connection with statements that accurately represent

the Supplier's involvement with this Contract which have been agreed with the Buyer;

- (d) provide the Buyer and/or the Replacement Supplier with a complete and uncorrupted version of the Buyer Data in electronic form (or such other format as reasonably required by the Buyer);
- (e) erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Buyer Data and promptly certify to the Buyer that it has completed such deletion;
- (f) return to the Buyer such of the following as is in the Supplier's possession or control:
  - (i) all copies of the Buyer owned software and any other software licensed by the Buyer to the Supplier under this Contract;
  - (ii) all materials created by the Supplier under this Contract in which the IPRs are owned by the Buyer;
  - (iii) any equipment which belongs to the Buyer;
  - (iv) all documents and other tangible materials that contain any IPR owned by the Buyer IPRs; and
  - (v) any items that have been on-charged to the Buyer, such as consumables;
- (g) to provide access during normal working hours to the Buyer and/or the Replacement Supplier for up to 12 months after the expiry or termination of this Contract to:
  - (i) such information relating to the Services as remains in the possession or control of the Supplier; and
  - (ii) such members of the Supplier Staff as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Buyer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this Paragraph 5.7(g)(ii).

5.8. Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or

Termination Services or for statutory compliance purposes.

5.9. Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Buyer to the Supplier in relation to the terminated Services shall be terminated with effect from the end of the Termination Assistance Period.

## 6. ASSETS, SUB-CONTRACTS AND SOFTWARE

6.1. Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, in respect of the terminated Services, without the Buyer's prior written consent:

- (a) terminate, enter into or vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services or the Charges;
- (b) (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets; or
- (c) terminate, enter into or vary any licence for software in connection with the Services.

6.2. Within 20 Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to Paragraph 5.3(e), the Buyer shall provide written notice to the Supplier setting out:

- (a) which, if any, of the Transferable Assets the Buyer requires to be transferred to the Buyer and/or the Replacement Supplier in respect of the terminated Services ("**Transferring Assets**");
  - (b) which, if any, of:
    - (i) the Exclusive Assets that are not Transferable Assets; and
    - (ii) the Non-Exclusive Assets,

the Buyer and/or the Replacement Supplier requires the continued use of; and

- (c) which, if any, of Transferable Contracts the Buyer requires to be assigned or novated to the Buyer and/or the Replacement Supplier (the "**Transferring Contracts**"),

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

6.3. With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Buyer and/or its nominated

Replacement Supplier for a consideration equal to their Net Book Value, except where:

- (a) a Termination Payment is payable by the Buyer to the Supplier, in which case, payment for such Assets shall be included within the Termination Payment; or
- (b) the cost of the Transferring Asset has been partially or fully paid for through the Charges at the time of expiry or termination of this Contract, in which case the Buyer shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Charges; or
- (c) the Transferring Asset is the Overseas Referral Network Database in which case the Parties agree that such Overseas Referral Network Database shall be transferred to the Buyer without charge.

6.4. Risk in the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) on payment for the same or the end of the Termination Assistance Period where no payment is required.

6.5. Where the Supplier is notified in accordance with Paragraph 6.2(b) that the Buyer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

- (a) procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Buyer) for the Buyer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which
- (b) procure a suitable alternative to such assets and the Buyer or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.

6.6. The Supplier shall as soon as reasonably practicable assign or procure the novation to the Buyer and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Buyer reasonably requires to effect this novation or assignment.

6.7. The Buyer shall:

- (a) accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
- (b) once a Transferring Contract is novated or assigned to the Buyer and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract,

or as applicable, procure that the Replacement Supplier does the same.

6.8. The Supplier shall hold any Transferring Contracts on trust for the Buyer until such time as the transfer of the relevant Transferring Contract to the Buyer and/or the Replacement Supplier has been effected.

6.9. The Supplier shall indemnify the Buyer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Buyer (and/or Replacement Supplier) pursuant to Paragraph 6.6 both:

- (a) in relation to any matters arising prior to the date of assignment or novation of such Sub-Contract; and
- (b) in relation to any matters arising after the date of assignment or novation of such Sub-Contract where the loss, liability or cost arises as a result of the Supplier's failure to comply with Clause 9 (Intellectual Property Rights).

## **7. SUPPLIER STAFF**

7.1. The Buyer and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Schedule 7 (Staff Transfer) shall apply to any UK located Staff.

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

7.3. During the Termination Assistance Period, the Supplier shall give the Buyer and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Buyer and/or the Replacement Supplier.

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

7.5. The Supplier shall not for a period of 12 months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-Contractors whose employment or engagement is transferred to the Buyer and/or the Replacement Supplier, except that this paragraph shall not apply where the employee, supplier or Sub-Contractor applies in response to a public advertisement of a vacancy.

## **8. CHARGES**

8.1. During the Termination Assistance Period (or for such shorter period as the Buyer may require the Supplier to provide the Termination Services), the Buyer shall pay the Charges to the Supplier in respect of the Termination Services in accordance with the rates set out in the Exit Plan (but shall not be required to

pay costs in excess of the estimate set out in the Exit Plan). If the scope or timing of the Termination Services is changed and this results in a change to the costs of such Termination Services, the estimate may be varied in accordance with the Variation Procedure.

8.2. For the purpose of calculating the costs of providing the Termination Services for inclusion in the Exit Plan or, if no Exit Plan has been agreed, the costs of providing Termination Services shall be determined in accordance with the Variation Procedure.

8.3. Except as otherwise expressly specified in this Contract, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Buyer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Schedule including the preparation and implementation of the Exit Plan and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

## **9. APPORTIONMENTS**

9.1. All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Buyer and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:

- (a) the amounts shall be annualised and divided by 365 to reach a daily rate;
- (b) the Buyer shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and
- (c) the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

9.2. Each Party shall pay (and/or the Buyer shall procure that the Replacement Supplier shall pay) any monies due under Paragraph 9.1 as soon as reasonably practicable.

## **10. ANNEX 1: Scope of the Termination Services**

10.1. The Termination Services to be provided by the Supplier shall include such of the following services as the Buyer may specify:

- (a) to the extent relevant to the provision of the Services, ceasing all non-critical software changes (except where agreed in writing with the Buyer);
- (b) notifying the Sub-Contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;
- (c) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Buyer and/or the Replacement Supplier after the end of the Termination Assistance Period;
- (d) providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services;
- (e) with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;
- (f) providing the Buyer with any problem logs which have not previously been provided to the Buyer;
- (g) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of 12 months after the Termination Assistance Period;
- (h) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;
- (i) providing assistance and expertise as necessary to support the Buyer and/or the Replacement Supplier develop the migration plan for business operations and Buyer Data to the Replacement Supplier, which may include migration approach, testing of plans, contingency options, and handling of historic or archived Buyer Data;
- (j) provide all necessary support, equipment, tools, and software such as data migration services and/or Automated Programming Interfaces, in order to enable and support the execution of the migration plan by the Buyer and/or Replacement Supplier;
- (k) making available to the Buyer and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary

training for the use of tools by such staff as are nominated by the Buyer (acting reasonably) at the time of termination or expiry;

- (l) agreeing with the Buyer a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;
- (m) assisting in the execution of a parallel operation until the effective date of expiry or termination of this Contract;
- (n) providing an information pack listing and describing the Services for use by the Buyer in the procurement of the Replacement Deliverables;
- (o) answering all reasonable questions from the Buyer and/or the Replacement Supplier regarding the Services;
- (p) agreeing with the Buyer and/or the Replacement Supplier a plan for the migration of the Buyer Data to the Buyer and/or the Replacement Supplier;
- (q) providing access to the Buyer and/or the Replacement Supplier during the Termination Assistance Period and for a period not exceeding 6 months afterwards for the purpose of the smooth transfer of the Services to the Buyer and/or the Replacement Supplier:
  - (i) to information and documentation relating to the Transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and
  - (ii) following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and
- (r) knowledge transfer services, including:
  - (i) transferring all training material and providing appropriate training to those Buyer and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;
  - (ii) providing for transfer to the Buyer and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and
  - (iii) providing the Supplier and/or the Replacement Supplier with access to such members of the Supplier's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the Services and who are still

employed or engaged by the Supplier or its Sub-contractors.

- 10.2. The Supplier shall:
- (a) provide a documented plan relating to the training matters referred to in Paragraph 1.1(k) for agreement by the Buyer at the time of termination or expiry of this Contract;
  - (b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1(o), providing skills and expertise of a suitable standard; and
  - (c) fully co-operate in the execution of the Buyer database migration plan agreed pursuant to Paragraph 1.1(w), providing skills and expertise of a reasonably acceptable standard.
- 10.3. To facilitate the transfer of knowledge from the Supplier to the Buyer and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other procedures to the operations personnel of the Buyer and/or the Replacement Supplier.
- 10.4. The information which the Supplier shall provide to the Buyer and/or the Replacement Supplier pursuant to Paragraph 1.1(y) shall include:
- (a) copies of up-to-date procedures and operations manuals;
  - (b) product information;
  - (c) agreements with third party suppliers of goods and services which are to be transferred to the Buyer and/or the Replacement Supplier;
  - (d) key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Buyer pursuant to this Schedule;
  - (e) information regarding any unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period;
  - (f) details of physical and logical security processes and tools which will be available to the Buyer; and
  - (g) any relevant interface information.
- 10.5. During the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the Replacement Supplier and/or the Buyer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:
- (a) any such agent or personnel (including employees, consultants and suppliers) having access to any Sites pursuant to this Paragraph 10.5

shall:

- (i) sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and
  - (ii) during each period of access comply with the security, systems and facilities operating procedures of the Supplier relevant to such Site and that the Buyer deems reasonable; and
- (b) the Buyer and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.

## **Schedule 25 (Financial Reports and Audit Rights)**

## **1** DEFINITIONS

Refer to Schedule 1 (Definitions) for definitions of terms included in this Schedule.

## PART A: FINANCIAL TRANSPARENCY OBJECTIVES AND OPEN BOOK DATA

### 1 FINANCIAL TRANSPARENCY OBJECTIVES

The Supplier acknowledges that the provisions of this Schedule are designed (inter alia) to facilitate, and the Supplier shall co-operate with the Buyer in order to achieve, the following objectives:

#### **Understanding the Charges**

- (a) for the Buyer to understand any payment sought from it by the Supplier including an analysis of the Costs (including but not limited to all costs related to Deliverables, operating expenses, capital expenditure, and resources), Overhead recoveries (where relevant and as per the overhead percentage included in the pricing schedule as per the Tender), time spent by Supplier Staff in providing the Services and the Supplier Profit Margin.
- (b) for both Parties to be able to understand the Financial Model and Cost forecasts and to have confidence that these are based on justifiable numbers and appropriate forecasting techniques;

#### **Agreeing the impact of Variation**

- (c) for both Parties to agree the quantitative impact of any Variations that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Charges;
- (d) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

#### **Continuous improvement**

- (e) for the Parties to challenge each other with ideas for efficiency and improvements; and
- (f) to enable the Buyer to demonstrate that it is achieving value for money for the taxpayer relative to current market prices,

(together the "Financial Transparency Objectives").

### 2 OPEN BOOK DATA/ OPEN BOOK CONTRACT MANAGEMENT

2.1 The Supplier acknowledges the importance to the Buyer of the Financial Transparency Objectives and the Buyer's need for complete transparency in the way in which the Charges are calculated.

2.2 During the Contract Period, and for a period of 7 years following the end of the Contract Period, the Supplier shall:

- (a) maintain and retain the Open Book Data; and

- (b) disclose and allow the Buyer and/or the Audit Agents access to the Open Book Data in line with Open Book Contract Management principles

## PART B: FINANCIAL REPORTS

### 3 PROVISION OF THE FINANCIAL REPORTS

#### 3.1 The Supplier shall provide

- (a) the Contract Inception Report on or before the Effective Date; and
- (b) during the Contract Period the following financial reports to the Buyer, in the frequency specified below;

<b>Financial Report</b>	<b>When to be provided along with contents guidance (where relevant)</b>
<b>Contract Amendment Report</b>	Within 1 month of a Material Variation being agreed between the Supplier and the Buyer
<b>Quarterly Contract Report</b>	Within 1 month of the end of each Quarter
<b>Annual Contract Report</b>	Within 1 month of the end of the Contract Year to which that report relates  Report contents (relating to financial and contractual commitments) include but are not limited to <ul style="list-style-type: none"><li>• Collated and summary level detail of costs certification (please see next section) and achieved profit margin</li><li>• Final outturn for Year 1 of the contract- detailed figures and breakdown per cost lines invoiced during the Contract Year</li><li>• Signed Certificate of Costs as per Schedule 3</li><li>• Achieved Profit Margin including supporting detailed calculations to display whether maximum permitted profit margin was achieved or exceeded</li></ul>

	<ul style="list-style-type: none"> <li>• Maximum Redundancy Costs to Buyer (if relevant)</li> <li>• Average rates and salary (if relevant) details for all labour resources engaged in the delivery of the contract per service line</li> <li>• Updated IP details</li> <li>• Any other key contractual commitments</li> </ul>
<p><b>Annual Contract Costs Certification Report</b></p>	<p>Contract financial report Contents to include but are not limited to</p> <ul style="list-style-type: none"> <li>• All costs invoiced in relations to Deliverable Payments</li> <li>• Rates' bands per resource grades and headcount for all labour resources engaged in contract delivery including overhead allocation, contractual employment benefits, profit margin and mark up, and any other allocations</li> <li>• All operating expenditure as invoiced (including but not limited to frontline and backend expenses)</li> <li>• All capital expenditure as invoiced including non-cash items (including depreciation, amortisation, impairments and movements in provisions if applicable)</li> <li>• All costs related Variation Notices as agreed during the Contract Year</li> <li>• Cost breakdowns by service lines (if applicable)</li> <li>• Detailed breakdown of corporate overheads as allocated to overhead percentages e.g. HR/Finance/Technology</li> </ul>

	<ul style="list-style-type: none"> <li>• Office space/estates costs as engaged in contract delivery including but not limited to costs in relations to rent/leased property, fit out, rates, facilities management, and any other accommodation costs</li> <li>• All Sub-Contractor costs (including profit margins and mark ups) as invoiced to Buyer</li> </ul>
<b>Final Reconciliation Report</b>	Within 6 months after the end of the Contract Period

3.2 The Supplier shall provide to the Buyer the Financial Reports in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Effective Date for the purposes of this Contract. The Buyer shall be entitled to modify the template for any Financial Report by giving written notice to the Supplier, including a copy of the updated template.

- (a) The Supplier may propose and agree with the Buyer's Approval alternative layouts and formats to facilitate provision of sufficient details in relation to the reports outlined above.
- (b) The Buyer may request, from the Supplier at their own cost, all supporting documents (lease agreements/sub-contractor contractual documents/any other contractual documents) related to the financial reports in English, where such documents are not written in English the Supplier shall arrange for such documents to be translated into English at its own cost.

3.3 A copy of each Financial Report shall be held by both the Buyer and the Supplier. If there is a Dispute regarding a Financial Report, the Buyer's copy of the relevant Financial Report shall be authoritative.

3.4 Each Financial Report shall:

- (a) be completed by the Supplier using reasonable skill and care;
- (b) incorporate and use the same defined terms as are used in this Contract;
- (c) quote all monetary values in pounds sterling;
- (d) quote all Costs as exclusive of any VAT/ other overseas taxes; and
- (e) Provide translations of supporting documents, at costs to themselves, where documents are in languages other than English

- (f) quote all Costs and Charges based on current prices.
- 3.5 Each Annual Contract Report and the Final Reconciliation Report shall be certified by the Supplier's Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant Financial Report), acting with express Buyer, as:
- (a) being accurate and not misleading;
  - (b) having been prepared in conformity with generally accepted accounting principles within the United Kingdom; or
  - (c) having been prepared in conformity with generally accepted accounting principles within the United States of America (USA) where reporting entity is operating within the United States of America; or
  - (d) having been prepared in conformity with the generally accepted accounting principles where the reporting entity is operating
  - (e) being a true and fair reflection of the information included within the Supplier's management and statutory accounts; and
  - (f) compliant with the requirements of Paragraph 1.6.
- 3.6 The Supplier shall:
- (a) prepare each Financial Report using the same methodology as that used for the Contract Inception Report;
  - (b) ensure that each Annual Contract Report and each Contract Amendment Report (if any) is a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier;
  - (c) the Final Reconciliation Report is a true and fair reflection of the Costs; and
  - (d) not have any other internal financial model in relation to the Services inconsistent with the Financial Model.
- 3.7 During the Contract Period, and for a period of 18 months following the end of the Contract Period, the Supplier shall make available the Financial Representative at reasonable times and on reasonable notice to answer any queries that the Buyer may have on any of the Financial Reports and/or Open Book Data.
- 3.8 If the Supplier becomes aware of the occurrence, or the likelihood of the future occurrence, of an event which will or may have a material effect on the following:
- (a) the Costs incurred (or those forecast to be incurred) by the Supplier; and/or

- (b) the forecast Charges for the remainder of the Contract Period,

the Supplier shall, as soon as practicable, notify the Buyer in writing of the event in question detailing the actual or anticipated effect. For the avoidance of doubt, notifications provided in accordance with this Paragraph 1.8 shall not have the effect of amending any provisions of this Contract.

#### 4 FINANCIAL MODEL

##### 4.1 Following the delivery by the Supplier of each Annual Contract Report, **Annual Contract Costs Certification Report**, and any Contract Amendment Report:

- (a) the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree) or any such time as reasonably practicable to be mutually agreed between the Parties. The Financial Representative shall attend the meeting;
- (b) the Supplier shall make appropriate Supplier Staff and advisers available to discuss any variations between the relevant Financial Report and the Contract Inception Report or immediately preceding Annual Contract Report or Contract Amendment Report (as the case may be) and to explain such variations (with reference to supporting evidence) to the satisfaction of the Buyer; and
- (c) the Buyer shall either within 10 Working Days of the meeting or any such time as reasonably practicable to be mutually agreed between the Parties referred to in Paragraph 2.1(a) notify the Supplier that:
  - (i) the relevant Financial Report contains errors or omissions or that further explanations or supporting information is required, in which event the Supplier shall make any necessary modifications to the Financial Report and/or supply the Buyer with such supporting evidence as is required to address the Buyer's concerns within 10 Working Days or any such time as reasonably practicable to be mutually agreed between the Parties of such notification and the Buyer shall following receipt of such amended Financial Report and/or supporting information, approve or reject such Financial Report; or
  - (ii) the Buyer has approved the relevant Financial Report.

4.2 Following approval by the Buyer of the relevant Financial Report in accordance with Paragraph 2.1(c), that version shall become, with effect from the date of such approval, the current approved version of the Financial Model for the purposes of this Contract, a version of which shall be held by both the Buyer and the Supplier. If there is a Dispute regarding a Financial Report, the Buyer's copy of the relevant Financial Report shall be authoritative.

4.3 If the Parties are unable to reach agreement on any Financial Report within 30 Working Days of its receipt by the Buyer, the matter shall be referred for determination in accordance with the Dispute Resolution Procedure.

## **5 Discussion of Quarterly Contract Reports and FINAL RECONCILIATION REPORT**

- 5.1 Following the delivery by the Supplier of each Quarterly Contract Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.
- 5.2 Following the delivery by the Supplier of the Final Reconciliation Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

## **6 KEY SUB-CONTRACTORS**

- 6.1 The Supplier shall, if requested by the Buyer, provide (or procure the provision of) a report or reports including the level of information set out in the Financial Reports in relation to the costs and expenses to be incurred by any of its Key Sub-contractors.
- 6.2 Without prejudice to Paragraph 1.1 of Part C, the Supplier shall:
- (a) be responsible for auditing the financial models/reports of its Key Sub-contractors and for any associated costs and expenses incurred or forecast to be incurred; and
  - (b) on written request by the Buyer, provide the Buyer or procure that the Buyer is provided with:
    - (i) full copies of audit reports for the Key Sub-contractors. The Buyer shall be entitled to rely on such audit reports; and
    - (ii) further explanation of, and supporting information in relation to, any audit reports provided.

## PART C: AUDIT RIGHTS

### 1 AUDIT RIGHTS

- 1.1 The Buyer, acting by itself or through its Audit Agents, shall have the right during the Contract Period and for a period of 18 months thereafter, to assess compliance by the Supplier and/or its Key Sub-contractors of the Supplier's obligations under this Contract, including for the following purposes:
- (a) to verify the integrity and content of any Financial Report;
  - (b) to verify the accuracy of the Charges and any other amounts payable by the Buyer under this Contract (and proposed or actual variations to such Charges and payments);
  - (c) to verify the Costs (including the amounts paid to all Subcontractors and any third party- suppliers);
  - (d) to verify the Certificate of Costs and/or the Open Book Data in line with Open Book Contract Management principles;
  - (e) to verify the Supplier's and each Key Sub-contractor's compliance with this Contract and applicable Law;
  - (f) to identify or investigate actual or suspected fraud, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Buyer shall have no obligation to inform the Supplier of the purpose or objective of its investigations;
  - (g) to identify or investigate any circumstances which may impact upon the financial stability of the Supplier, the Guarantor and/or any Key Sub-contractors or their ability to perform the Services;
  - (h) to obtain such information as is necessary to fulfil the Buyer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
  - (i) to review any books of account (including but not limited to internal management accounts) and the internal contract management accounts kept by the Supplier in connection with this Contract;
  - (j) to carry out the Buyer's internal and statutory audits and to prepare, examine and/or certify the Buyer's annual and interim reports and accounts;
  - (k) to enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Buyer has used its resources;
  - (l) to verify the accuracy and completeness of any Management Information delivered or required by this Contract;

- (m) to review any Performance Monitoring Reports and/or other records relating to the Supplier's performance of the Services and to verify that these reflect the Supplier's own internal reports and records;
- (n) to inspect the IT environment (or any part of it) and the wider service delivery environment (or any part of it);
- (o) to review the accuracy and completeness of the Registers;
- (p) to review any records created during the design and development of the Supplier System and pre-operational environment such as information relating to testing;
- (q) to review the Supplier's quality management systems (including all relevant Quality Plans and any quality manuals and procedures);
- (r) to review the Supplier's compliance with any standards required by this Contract;
- (s) to inspect the Buyer Assets, including the Buyer's IPRs, equipment and facilities, for the purposes of ensuring that the Buyer Assets are secure and that any register of assets is up to date; and/or
- (t) to review the integrity, confidentiality and security of the Buyer Data.

1.2 Except where an audit is imposed on the Buyer by a regulatory body or where the Buyer has reasonable grounds for believing that the Supplier has not complied with its obligations under this Contract, the Buyer may not conduct an audit of the Supplier or of the same Key Sub-contractor more than twice in any Contract Year.

1.3 Nothing in this Contract shall prevent or restrict the rights of the Comptroller and/or Auditor General and/or their representatives from carrying out an audit, examination or investigation of the Supplier and/or any of the Key Sub-contractors for the purposes of and pursuant to applicable Law.

## **2 CONDUCT OF AUDITS**

2.1 The Buyer shall during each audit comply with those security, sites, systems and facilities operating procedures of the Supplier that the Buyer deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Services.

2.2 Subject to the Buyer's obligations of confidentiality, the Supplier shall on demand provide the Buyer and the Audit Agents with all reasonable co-operation and assistance (and shall procure such co-operation and assistance from its Sub-contractors) in relation to each audit, including:

- (a) all information requested by the Buyer within the permitted scope of the audit;

- (b) reasonable access to any Sites and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
  - (c) access to the Supplier System; and
  - (d) access to Supplier Staff.
- 2.3 The Supplier shall implement all measurement and monitoring tools and procedures necessary to measure and report on the Supplier's performance of the Services against the applicable Service Levels at a level of detail sufficient to verify compliance with the Service Levels.
- 2.4 The Buyer shall endeavour to (but is not obliged to) provide at least 15 Working Days' notice of its intention to conduct an audit.
- 2.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Paragraph 2, unless the audit identifies a material Default by the Supplier in which case the Supplier shall reimburse the Buyer for all the Buyer's reasonable costs incurred in connection with the audit.

### **3 USE OF SUPPLIER'S INTERNAL AUDIT TEAM**

- 3.1 As an alternative to the Buyer's right pursuant to Paragraph 1.1 to exercise an audit either itself or through its Audit Agents, the Buyer may require in writing that an audit is undertaken by the Supplier's own internal audit function for any of the purposes set out in Paragraph 1.1.
- 3.2 Following the receipt of a request from the Buyer under Paragraph 3.1 above, the Supplier shall procure that the relevant audit is undertaken as soon as reasonably practicable and that the Buyer has unfettered access to:
- (a) the resultant audit reports; and
  - (b) all relevant members of the Supplier's internal audit team for the purpose of understanding such audit reports.

### **4 RESPONSE TO AUDITS**

- 4.1 If an audit undertaken pursuant to Paragraphs 1 or 3 identifies that:
- (a) the Supplier has committed a Default, the Buyer may (without prejudice to any rights and remedies the Buyer may have) require the Supplier to correct such Default as soon as reasonably practicable and, if required by the Buyer, to comply with the Rectification Plan Process;
  - (b) there is an error in a Financial Report, the Supplier shall promptly rectify the error;
  - (c) the Buyer has overpaid any Charges, the Supplier shall pay to the Buyer:
    - (i) the amount overpaid;

(ii) interest on the amount overpaid at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the date of overpayment by the Buyer up to the date of repayment by the Supplier; and

(iii) the reasonable costs incurred by the Buyer in undertaking the audit,

the Buyer may exercise its right to deduct such amount from the Charges if it prefers; and

(d) the Buyer has underpaid any Charges, the Supplier shall not be entitled to increase the Charges paid or payable by the Buyer.