**Schedule 3 (Charges)**

The pricing mechanisms

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

When the Supplier can ask to change the Charges

* 1. The Charges will be fixed for the duration of the Contract.
	2. The Charges can only be varied (and Annex 1 will be updated accordingly) due to:
		1. a Specific Change in Law in accordance with Clauses 28.6 to 28.8 of the Core Terms; and
		2. a request from the Supplier, which it can make at any time, to decrease the Charges.
	3. Any notice requesting an increase shall include:
		1. a list of the Charges to be reviewed;
		2. for each of the Charges under review, written evidence of the justification for the requested increase including:
			1. a breakdown of the profit and cost components that comprise the relevant part of the Charges;
			2. details of the movement in the different identified cost components of the relevant Charge;
			3. reasons for the movement in the different identified cost components of the relevant Charge;
			4. evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
			5. evidence that the Supplier’s profit component of the relevant Charge is no greater than that applying to Charges using the same pricing mechanism as at the Start Date.
	4. The Buyer shall consider each request for a price increase. The Buyer may grant Approval to an increase at its sole discretion.

REDACTED