

**DATED 22/02/2016**

**CROWN COMMERCIAL SERVICE**

**and**

**GPUK LLP TRADING AS GLOBAL PAYMENTS**

**MERCHANT ACQUIRING SERVICES FRAMEWORK AGREEMENT**

**(Agreement Ref: RM3702)**

## TABLE OF CONTENT

<b>A.</b>	<b>PRELIMINARIES</b>	<b>5</b>
1.	DEFINITIONS AND INTERPRETATION	5
2.	DUE DILIGENCE	7
3.	SUPPLIER'S APPOINTMENT	8
4.	SCOPE OF FRAMEWORK AGREEMENT	8
5.	CALL OFF PROCEDURE	8
6.	ASSISTANCE IN RELATED PROCUREMENTS	8
7.	REPRESENTATIONS AND WARRANTIES	9
8.	GUARANTEE	11
9.	CYBER ESSENTIALS SCHEME CONDITION	11
<b>B.</b>	<b>DURATION OF FRAMEWORK AGREEMENT</b>	<b>12</b>
10.	FRAMEWORK PERIOD	12
<b>C.</b>	<b>FRAMEWORK AGREEMENT PERFORMANCE</b>	<b>12</b>
11.	FRAMEWORK AGREEMENT PERFORMANCE	12
12.	KEY PERFORMANCE INDICATORS	12
13.	STANDARDS	12
14.	NOT USED	13
15.	CONTINUOUS IMPROVEMENT	13
16.	CALL OFF PERFORMANCE UNDER FRAMEWORK AGREEMENT	13
<b>D.</b>	<b>FRAMEWORK AGREEMENT GOVERNANCE</b>	<b>13</b>
17.	FRAMEWORK AGREEMENT MANAGEMENT	13
18.	RECORDS, AUDIT ACCESS AND OPEN BOOK DATA	14
19.	CHANGE	16
<b>E.</b>	<b>MANAGEMENT CHARGE, TAXATION AND VALUE FOR MONEY PROVISIONS</b>	<b>18</b>
20.	MANAGEMENT CHARGE	18
21.	PROMOTING TAX COMPLIANCE	19
22.	BENCHMARKING	19
23.	NOT USED	20
<b>F.</b>	<b>SUPPLIER PERSONNEL AND SUPPLY CHAIN MATTERS</b>	<b>20</b>
24.	NOT USED	20
25.	SUPPLY CHAIN RIGHTS AND PROTECTION	20
<b>G.</b>	<b>INTELLECTUAL PROPERTY AND INFORMATION</b>	<b>23</b>
26.	INTELLECTUAL PROPERTY RIGHTS	23
27.	PROVISION AND PROTECTION OF INFORMATION	24
28.	PUBLICITY AND BRANDING	31
29.	MARKETING	32
<b>H.</b>	<b>LIABILITY AND INSURANCE</b>	<b>32</b>
30.	LIABILITY	32
31.	INSURANCE	33
<b>I.</b>	<b>REMEDIES</b>	<b>34</b>
32.	AUTHORITY REMEDIES	34
<b>J.</b>	<b>TERMINATION AND SUSPENSION</b>	<b>34</b>

33.	AUTHORITY TERMINATION RIGHTS .....	34
34.	SUSPENSION OF SUPPLIER'S APPOINTMENT .....	37
35.	CONSEQUENCES OF EXPIRY OR TERMINATION .....	38
<b>K.</b>	<b>MISCELLANEOUS AND GOVERNING LAW .....</b>	<b>39</b>
36.	COMPLIANCE .....	39
37.	ASSIGNMENT AND NOVATION .....	40
38.	WAIVER AND CUMULATIVE REMEDIES.....	40
39.	RELATIONSHIP OF THE PARTIES .....	40
40.	PREVENTION OF FRAUD AND BRIBERY .....	41
41.	CONFLICTS OF INTEREST .....	42
42.	SEVERANCE.....	43
43.	FURTHER ASSURANCES .....	43
44.	ENTIRE AGREEMENT .....	43
45.	THIRD PARTY RIGHTS.....	43
46.	NOTICES .....	44
47.	COMPLAINTS HANDLING.....	46
48.	DISPUTE RESOLUTION .....	46
49.	GOVERNING LAW AND JURISDICTION.....	46
	<b>FRAMEWORK SCHEDULE 1: DEFINITIONS .....</b>	<b>48</b>
	<b>FRAMEWORK SCHEDULE 2: SERVICES AND KEY PERFORMANCE INDICATORS ....</b>	<b>65</b>
	<b>FRAMEWORK SCHEDULE 3: FRAMEWORK PRICES AND CHARGING STRUCTURE</b>	<b>121</b>
	<b>ANNEX 1: FRAMEWORK PRICES .....</b>	<b>125</b>
	<b>FRAMEWORK SCHEDULE 4: TEMPLATE ORDER FORM AND TEMPLATE CALL OFF</b>	
	<b>TERMS .....</b>	<b>126</b>
	<b>ANNEX 1: TEMPLATE ORDER FORM.....</b>	<b>126</b>
	<b>ANNEX 2: TEMPLATE CALL OFF TERMS .....</b>	<b>127</b>
	<b>FRAMEWORK SCHEDULE 5: CALL OFF PROCEDURE .....</b>	<b>128</b>
	<b>FRAMEWORK SCHEDULE 6: AWARD CRITERIA .....</b>	<b>133</b>
	<b>FRAMEWORK SCHEDULE 7: KEY SUB-CONTRACTORS .....</b>	<b>136</b>
	<b>FRAMEWORK SCHEDULE 8: FRAMEWORK MANAGEMENT .....</b>	<b>137</b>
	<b>FRAMEWORK SCHEDULE 9: MANAGEMENT INFORMATION.....</b>	<b>140</b>
	<b>ANNEX 1: MI REPORTING TEMPLATE .....</b>	<b>145</b>
	<b>ANNEX 2: ADDITIONAL MI – AUTHORITY.....</b>	<b>146</b>
	<b>ANNEX 3: MI – CONTRACTING AUTHORITIES .....</b>	<b>147</b>
	<b>FRAMEWORK SCHEDULE 10: ANNUAL SELF AUDIT CERTIFICATE .....</b>	<b>148</b>
	<b>FRAMEWORK SCHEDULE 11: MARKETING .....</b>	<b>150</b>
	<b>FRAMEWORK SCHEDULE 12: CONTINUOUS IMPROVEMENT AND BENCHMARKING</b>	
	<b>.....</b>	<b>151</b>
	<b>FRAMEWORK SCHEDULE 13: GUARANTEE .....</b>	<b>156</b>
	<b>FRAMEWORK SCHEDULE 14: INSURANCE REQUIREMENTS .....</b>	<b>166</b>
	<b>ANNEX 1: REQUIRED INSURANCES.....</b>	<b>169</b>
	<b>FRAMEWORK SCHEDULE 15: NOT USED .....</b>	<b>173</b>

<b>FRAMEWORK SCHEDULE 16: NOT USED .....</b>	<b>174</b>
<b>FRAMEWORK SCHEDULE 17: COMMERCIALLY SENSITIVE INFORMATION .....</b>	<b>175</b>
<b>FRAMEWORK SCHEDULE 18: DISPUTE RESOLUTION PROCEDURE .....</b>	<b>176</b>
<b>FRAMEWORK SCHEDULE 19: VARIATION FORM.....</b>	<b>181</b>
<b>FRAMEWORK SCHEDULE 20: CONDUCT OF CLAIMS .....</b>	<b>182</b>
<b>FRAMEWORK SCHEDULE 21: TENDER.....</b>	<b>184</b>

This Agreement is made on **01/03/2016**

**BETWEEN:**

- (1) the Minister for the Cabinet Office ("**Cabinet Office**") as represented by Crown Commercial Service, a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP (the "**Authority**");
- (2) **GPUK LLP trading as Global Payments** which is a company registered in **England and Wales** under company number **OC337146** and whose registered office is at **51 De Montfort Street, Leicester, Leicestershire, LE1 7BB** (the "**Supplier**").

**RECITALS:**

- A The Authority placed a contract notice **2015/S 203-363041** on **15/10/2015** (the "**OJEU Notice**") in the Official Journal of the European Union seeking tenders from providers of Merchant Acquiring Services, Merchant Acquiring Equipment, and Payment Gateway Services interested in entering into a framework arrangement for the supply of such Services to Contracting Authorities.
- B On **19/10/2015** the Authority issued an invitation to tender (the "**Invitation to Tender**") for the provision of Merchant Acquiring Services.
- C In response to the Invitation to Tender, the Supplier submitted a tender to the Authority on **23/11/2015** (set out in Framework Schedule 21 (Tender)) (the "**Tender**") through which it represented to the Authority that it is capable of delivering the Services in accordance with the Authority's requirements as set out in the Invitation to Tender and, in particular, the Supplier made representations to the Authority in the Tender in relation to its competence, professionalism and ability to provide the Services in an efficient and cost effective manner.
- D On the basis of the Tender, the Authority selected the Supplier to enter into a framework agreement for Lot 1 - Merchant Acquiring Services and Merchant Acquiring Equipment and Lot 3 - Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services along with a number of other suppliers appointed to the Framework to provide the Services to Contracting Authorities from time to time on a call off basis in accordance with this Framework Agreement.
- E This Framework Agreement sets out the award and calling-off ordering procedure for purchasing the Services which may be required by Contracting Authorities, the template terms and conditions for any Call Off Agreement which Contracting Authorities may enter into and the obligations of the Supplier during and after the Framework Period.
- F It is the Parties' intention that there will be no obligation for any Contracting Authority to award any Call Off Agreements under this Framework Agreement during the Framework Period.

**A. PRELIMINARIES**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

- 1.1.1 In this Framework Agreement, unless the context otherwise requires, capitalised expressions shall have the meanings set out in Framework Schedule 1 (Definitions) or the relevant Framework Schedule in which that capitalised expression appears.
- 1.1.2 If a capitalised expression does not have an interpretation in Framework Schedule 1 (Definitions) or the relevant Framework Schedule, it shall have the meaning given to it in this Framework Agreement. If no meaning is given to it in this Framework Agreement, 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.

## 1.2 Interpretation

- 1.2.1 In this Framework Agreement, unless the context otherwise requires:
- (a) the singular includes the plural and vice versa;
  - (b) reference to a gender includes the other gender and the neuter;
  - (c) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
  - (d) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
  - (e) 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";
  - (f) 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;
  - (g) 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 this Framework Agreement;
  - (h) references to "**Clauses**" and "**Framework Schedules**" are, unless otherwise provided, references to the clauses and schedules of this Framework Agreement and references in any Framework Schedule to paragraphs, parts, annexes and tables are, unless otherwise provided, references to the paragraphs, parts, annexes and tables of the Framework Schedule or the part of the Framework Schedule in which the references appear;
  - (i) any reference to this Framework Agreement includes Framework Schedule 1 (Definitions) and the Framework Schedules; and
  - (j) the headings in this Framework Agreement are for ease of reference only and shall not affect the interpretation or construction of this Framework Agreement.

- 1.2.2 Subject to Clauses 1.2.3 and 1.2.4, in the event and to the extent only of a conflict between any of the provisions of this Framework Agreement, the conflict shall be resolved, in accordance with the following descending order of precedence:
- (a) the Clauses and Framework Schedule 1 (Definitions);
  - (b) Framework Schedules 1 to 19 inclusive;
  - (c) Framework Schedule 21 (Tender).
- 1.2.3 If there is any conflict between the provisions of this Framework Agreement and provisions of any Call Off Agreement or Supplier Agreement, the provisions of this Framework Agreement shall prevail over those of the Call Off Agreement or Supplier Agreement save that:
- (a) any refinement to the Template Order Form and Template Call Off Terms permitted for the purposes of a Call Off Agreement under Clause 4 and Framework Schedule 5 (Call Off Procedure) shall prevail over Framework Schedule 4 (Template Order Form and Template Call –Off Terms); and
  - (b) subject to Clause 1.2.4, the Call Off Agreement shall prevail over Framework Schedule 21 (Tender).
- 1.2.4 Where Framework Schedule 21 (Tender) contains provisions which are more favourable to the Authority in relation to the rest of the Framework Agreement, such provisions of the Tender shall prevail. The Authority shall in its absolute and sole discretion determine whether any provision in the Tender is more favourable to it in relation to this Framework Agreement.

## **2. DUE DILIGENCE**

2.1 The Supplier acknowledges that:

- 2.1.1 the Authority has delivered or made available to the Supplier all of the information and documents that the Supplier considers necessary or relevant for the performance or its obligations under this Framework Agreement;
- 2.1.2 it has made its own enquiries to satisfy itself as to the accuracy of the Due Diligence Information;
- 2.1.3 it has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Authority before the Framework Commencement Date) and has entered into this Framework Agreement in reliance on its own due diligence alone.
- 2.1.4 it shall not be excused from the performance of any of its obligations under this Framework Agreement on the grounds of, nor shall the Supplier be entitled to recover any additional costs or charges, arising as a result of any:
  - (a) misrepresentation of the requirements of the Supplier in the Invitation to Tender or elsewhere; and/or
  - (b) failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information.

### **3. SUPPLIER'S APPOINTMENT**

- 3.1 The Authority hereby appoints the Supplier as a potential provider of the Services and the Supplier shall be eligible to be considered for the award of Call Off Agreements by the Authority and Other Contracting Authorities during the Framework Period.
- 3.2 In consideration of the Supplier agreeing to enter into this Framework Agreement and to perform its obligations under it the Authority agrees to pay and the Supplier agrees to accept on the signing of this Framework Agreement the sum of one pound (£1.00) sterling (receipt of which is hereby acknowledged by the Supplier).

### **4. SCOPE OF FRAMEWORK AGREEMENT**

- 4.1 Without prejudice to Clause 45 (Third Party Rights), this Framework Agreement governs the relationship between the Authority and the Supplier in respect of the provision of the Services by the Supplier.
- 4.2 The Supplier acknowledges and agrees that:
  - 4.2.1 there is no obligation whatsoever on the Authority or on any Other Contracting Authority to invite or select the Supplier to provide any Services and/or to purchase any Services under this Framework Agreement and
  - 4.2.2 in entering into this Framework Agreement no form of exclusivity has been conferred on the Supplier nor volume or value guarantee granted by the Authority and/or Other Contracting Authorities in relation to the provision of the Services by the Supplier and that the Authority and Other Contracting Authorities are at all times entitled to enter into other contracts and agreements with other suppliers for the provision of any or all services which are the same as or similar to the Services.
- 4.3 In the event that any Other Contracting Authority makes an approach to the Supplier with a request for the supply of Equivalent Services, the Supplier shall promptly and in any event within five (5) Working Days of the request by the Other Contracting Authority, and before any supply of Equivalent Services is made, inform such Other Contracting Authority of the existence of this Framework and the Other Contracting Authority's ability to award Call Off Agreements for Services pursuant to this Framework Agreement.

### **5. CALL OFF PROCEDURE**

- 5.1 If the Authority or any Other Contracting Authority decides to source any of the Services through this Framework Agreement, then it shall be entitled at any time in its absolute and sole discretion during the Framework Period to award Call Off Agreements for the Services from the Supplier by following Framework Schedule 5 (Call Off Procedure).
- 5.2 The Supplier shall comply with the relevant provisions in Framework Schedule 5 (Call Off Procedure).

### **6. ASSISTANCE IN RELATED PROCUREMENTS**

- 6.1 Where a Relevant Supplier is bidding to provide New Services in circumstances where the Supplier or an Affiliate of the Supplier is already providing (or due to provide) Legacy Services to a Contracting Authority, the Supplier shall promptly

provide the relevant Contracting Authority and/or the Relevant Supplier with all reasonable information and assistance as may be required from time to time to enable the relevant Contracting Authority and/or the Relevant Supplier, as appropriate, to:

- 6.1.1 carry out appropriate due diligence with respect to the provision of the New Services;
  - 6.1.2 effect a smooth transfer and/or inter-operation (as the case may be) between the Legacy Services and the New Services;
  - 6.1.3 carry out a fair Further Competition Procedure for the New Services; and
  - 6.1.4 make a proper assessment as to the risk related to the New Services.
- 6.2 When performing its obligations in Clause 6.1 the Supplier shall act consistently, applying principles of equal treatment and non-discrimination, with regard to requests for assistance from and dealings with each Relevant Supplier.

## **7. REPRESENTATIONS AND WARRANTIES**

- 7.1 Each Party represents and warrants that:
- 7.1.1 it has full capacity and authority to enter into and to perform this Framework Agreement;
  - 7.1.2 this Framework Agreement is executed by its duly authorised representative;
  - 7.1.3 there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it (or, in the case of the Supplier, any of its Affiliates) that might affect its ability to perform its obligations under this Framework Agreement; and
  - 7.1.4 its obligations under this Framework Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable (as the case may be for each Party) bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law).
- 7.2 The Supplier represents and warrants that:
- 7.2.1 it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;
  - 7.2.2 it has obtained and will maintain all licences, authorisations, permits, necessary consents (including, where its procedures so require, the consent of its Parent Company) and regulatory approvals to enter into and perform its obligations under this Framework Agreement;
  - 7.2.3 it has not committed or agreed to commit a Prohibited Act and has no knowledge that an agreement has been reached involving the committal by it or any of its Affiliates of a Prohibited Act, save where details of any such arrangement have been disclosed in writing to the Authority before the Framework Commencement Date;

- 7.2.4 its execution, delivery and performance of its obligations under this Framework Agreement does not and will not constitute a breach of any Law or obligation applicable to it and does not and will not cause or result in a breach of any agreement by which it is bound;
  - 7.2.5 as at the Framework Commencement Date, all written statements and representations in any written submissions made by the Supplier as part of the procurement process, its Tender, and any other documents submitted remain true and accurate except to the extent that such statements and representations have been superseded or varied by this Framework Agreement;
  - 7.2.6 as at the Framework Commencement Date, it has notified the Authority in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in connection with any Occasions of Tax Non Compliance;
  - 7.2.7 it has and shall continue to have all necessary Intellectual Property Rights including in and to any materials made available by the Supplier (and/or any Sub-Contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Framework Agreement;
  - 7.2.8 it shall take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or Trojans, spyware or other malware) into systems, data, software or the Authority's Confidential Information (held in electronic form) owned by or under the control of, or used by, the Authority and/or Other Contracting Authorities.
  - 7.2.9 it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under this Framework Agreement;
  - 7.2.10 it is not affected by an Insolvency Event and no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, have been or are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue; and
  - 7.2.11 in performing its obligations under this Framework Agreement and any Call Off Agreement, the Supplier shall not (to the extent possible in the circumstances) discriminate between Contracting Authorities on the basis of their respective sizes.
- 7.3 Each of the representations and warranties set out in Clauses 7.1 and 7.2 shall be construed as a separate representation and warranty and shall not be limited or restricted by reference to, or inference from, the terms of any other representation, warranty or any undertaking in this Framework Agreement.
- 7.4 If at any time a Party becomes aware that a representation or warranty given by it under Clauses 7.1 and 7.2 has been breached, is untrue or is misleading, it shall immediately notify the other Party of the relevant occurrence in sufficient detail to enable the other Party to make an accurate assessment of the situation.

- 7.5 For the avoidance of doubt, the fact that any provision within this Framework Agreement is expressed as a warranty shall not preclude any right of termination the Authority may have in respect of the breach of that provision by the Supplier which constitutes a material Default of this Framework Agreement.
- 7.6 Each time that a Call Off Agreement is entered into, the warranties and representations in Clauses 7.1 and 7.2 shall be deemed to be repeated by the Supplier with reference to the circumstances existing at the time.

## **8. GUARANTEE**

- 8.1 NOT USED
- 8.2 NOT USED
- 8.3 Where a Contracting Authority notifies the Supplier that the award of a Call Off Agreement by that Contracting Authority shall be conditional upon receipt of a valid Call Off Guarantee, then, on or prior to the execution of that Call Off Agreement the Supplier shall deliver to the Contracting Authority:
- 8.3.1 an executed Call Off Guarantee from a Call Off Guarantor; and
  - 8.3.2 a certified copy extract of the board minutes and/or resolution of the Call Off Guarantor approving the execution of the Call Off Guarantee.
- 8.4 The Contracting Authority may in its sole discretion at any time agree to waive compliance with the requirement in Clause 8.3 by giving the Supplier notice in writing.

## **9. CYBER ESSENTIALS SCHEME CONDITION**

- 9.1 Where the Authority notifies the Supplier that prior to the execution of the first Call Off Agreement the Supplier shall provide a valid Cyber Essentials Scheme Certificate or equivalent, then on or prior to the execution of the first Call Off Agreement the Supplier shall deliver to the Authority evidence of a valid Cyber Essentials Scheme Certificate or equivalent.
- 9.2 Where the Supplier continues to Process Cyber Essentials Data during the Framework Period or the term of any Call Off Agreement the Supplier shall deliver to the Authority evidence of renewal of a valid Cyber Essentials Scheme Certificate or equivalent on each anniversary of the first Cyber Essentials Scheme Certificate obtained by the Supplier under Clause 9.1.
- 9.3 Where the Supplier is due to Process Cyber Essentials Data after the commencement date of the first Call Off Agreement but before the end of the Framework Period or term of the last Call Off Agreement, the Supplier shall deliver to the Authority evidence of:
- 9.3.1 a valid Cyber Essentials Scheme Certificate or equivalent (before the Supplier Processes any such Cyber Essentials Data); and
  - 9.3.2 renewal of a valid Cyber Essentials Scheme Certificate or equivalent on each anniversary of the first Cyber Essentials Scheme Certificate obtained by the Supplier under Clause 9.3.1.
- 9.4 In the event that the Supplier fails to comply with Clauses 9.2 or 9.3 (as applicable), the Authority reserves the right to terminate this Framework Agreement for material Default.

## **B. DURATION OF FRAMEWORK AGREEMENT**

### **10. FRAMEWORK PERIOD**

- 10.1 This Framework Agreement shall take effect on the Framework Commencement Date and shall expire either:
- 10.1.1 at the end of the Initial Framework Period; or
  - 10.1.2 where the Authority elects to extend the Initial Framework Period in accordance with Clause 10.2 below, at the end of the Extension Framework Period, or
  - 10.1.3 unless it is terminated earlier in accordance with the terms of this Framework Agreement or otherwise by operation of Law.
- 10.2 The Authority may extend the duration of this Framework Agreement for any period or periods up to a maximum of two (2) years in total from the expiry of the Initial Framework Period by giving the Supplier no less than three (3) Months' written notice.

## **C. FRAMEWORK AGREEMENT PERFORMANCE**

### **11. FRAMEWORK AGREEMENT PERFORMANCE**

- 11.1 The Supplier shall perform its obligations under this Framework Agreement in accordance with:
- 11.1.1 The requirements of this Framework Agreement, including Framework Schedule 8 (Framework Management);
  - 11.1.2 the terms and conditions of the respective Call Off Agreements;
  - 11.1.3 Good Industry Practice;
  - 11.1.4 all applicable Standards; and
  - 11.1.5 in compliance with all applicable Law.
- 11.2 The Supplier shall bring to the attention of the Authority any conflict between any of the requirements of Clause 11.1 shall comply with the Authority's decision on the resolution of any such conflict.

### **12. KEY PERFORMANCE INDICATORS**

- 12.1 The Supplier shall at all times during the Framework Period comply with the Key Performance Indicators and achieve the KPI Targets set out in Part B of Framework Schedule 2 (Services and Key Performance Indicators).

### **13. STANDARDS**

- 13.1 The Supplier shall comply with the Standards at all times during the performance by the Supplier of the Framework Agreement and any Call Off Agreement, including the Standards set out in Part A of Framework Schedule 2 (Services and Key Performance Indicators).
- 13.2 Throughout the Framework Period, the Parties shall notify each other of any new or emergent standards which could affect the Supplier's provision, or the receipt by a Contracting Authority under a Call Off Agreement, of the Services. The

adoption of any such new or emergent standard, or changes to existing Standards, shall be agreed in accordance with the Variation Procedure.

- 13.3 Where a new or emergent standard is to be developed or introduced by the Authority, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or a Contracting Authority's receipt under a Call Off Agreement, of the Services is explained to the Authority and the Contracting Authority (within a reasonable timeframe), prior to the implementation of the new or emergent Standard.
- 13.4 Where Standards referenced conflict with each other or with best professional or industry practice adopted after the Framework Commencement Date, then the later Standard or best practice shall be adopted by the Supplier. Any such alteration to any Standard(s) shall require Approval and shall be implemented within an agreed timescale.
- 13.5 Where a standard, policy or document is referred to in Framework Schedule 2 (Services and Key Performance Indicators) by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Supplier shall notify the Authority and the Parties shall agree the impact of such change.

#### **14. NOT USED**

#### **15. CONTINUOUS IMPROVEMENT**

- 15.1 The Supplier shall at all times during the Framework Period comply with its obligations to continually improve the Services and the manner in which it provides the Services as set out in Framework Schedule 12 (Continuous Improvement and Benchmarking).

#### **16. CALL OFF PERFORMANCE UNDER FRAMEWORK AGREEMENT**

- 16.1 The Supplier shall perform all its obligations under all Call Off Agreements entered into with the Authority or any Other Contracting Authority:
- 16.1.1 in accordance with the requirements of this Framework Agreement;
  - 16.1.2 in accordance with the terms and conditions of the respective Call Off Agreements.
- 16.2 The Supplier shall draw any conflict in the application of any of the requirements of Clauses 16.1.1 and 16.1.2 to the attention of the Authority and shall comply with the Authority's decision on the resolution of any such conflict.
- 16.3 The Supplier shall not make any changes to the form of Supplier Agreement, submitted to the Authority on the Framework Commencement Date, without Approval.
- 16.4 The Supplier shall ensure that the terms of any Supplier Agreement are consistent with its obligations under this Framework Agreement and the relevant Call Off Agreement

### **D. FRAMEWORK AGREEMENT GOVERNANCE**

#### **17. FRAMEWORK AGREEMENT MANAGEMENT**

17.1 The Parties shall manage this Framework Agreement in accordance with Framework Schedule 8 (Framework Management).

## **18. RECORDS, AUDIT ACCESS AND OPEN BOOK DATA**

18.1 The Supplier shall keep and maintain, until the later of:

18.1.1 seven (7) years after the date of termination or expiry of this Framework Agreement; or

18.1.2 seven (7) years after the date of termination or expiry of the last Call-Off Agreement to expire or terminate; or

18.1.3 such other date as may be agreed between the Parties,

full and accurate records and accounts of the operation of this Framework Agreement, including the Call-Off Agreements entered into with Contracting Authorities, the Services provided pursuant to the Call-Off Agreements, and the amounts paid by each Contracting Authority under the Call-Off Agreements and those supporting tests and evidence that underpin the provision of the annual Self Audit Certificate and supporting Audit Report.

18.2 The Supplier shall keep the records and accounts referred to in Clause 18.1 in accordance with Good Industry Practice and Law.

18.3 The Supplier shall provide the Authority with a completed and signed annual Self Audit Certificate in respect of each Contract Year. Each Self Audit Certificate shall be completed and signed by an authorised senior member of the Supplier's management team or by the Supplier's external auditor and the signatory must be professionally qualified in a relevant audit or financial discipline.

18.4 Each Self Audit Certificate should be based on tests completed against a representative sample of 10% of transactions carried out during the period of being audited or 100 transactions (whichever is less) and should provide assurance that:

18.4.1 Orders are clearly identified as such in the order processing and invoicing systems and, where required, Orders are correctly reported in the MI Reports;

18.4.2 all related invoices are completely and accurately included in the MI Reports;

18.4.3 all Charges to Contracting Authorities comply with any requirements under this Framework Agreement on maximum mark-ups, discounts, charge rates, fixed quotes (as applicable); and

18.4.4 an additional sample of twenty (20) public sector orders identified from the Supplier's order processing and invoicing systems as orders not placed under this Framework Agreement have been correctly identified as such and that an appropriate and legitimately tendered procurement route has been used to place those orders, and those orders should not otherwise have been routed via centralised mandated procurement processes executed by the Authority.

18.5 Each Self Audit Certificate should be supported by an Audit Report that provides details of the methodology applied to complete the review, the sampling techniques applied, details of any issues identified and remedial action taken.

18.6 The Supplier shall afford any Auditor access to the records and accounts referred to in Clause 18.1 at the Supplier's premises and/or provide such records and

accounts or copies of the same, as may be required and agreed with any of the Auditors from time to time, in order that the Auditor may carry out an inspection to assess compliance by the Supplier and/or its Sub-Contractors of any of the Supplier's obligations under this Framework Agreement, including for the following purposes to:

- 18.6.1 verify the accuracy of the Charges and any other amounts payable by a Contracting Authority under a Call Off Agreement (including proposed or actual variations to them in accordance with this Framework Agreement);
- 18.6.2 verify the costs of the Supplier (including the costs of all Sub-Contractors and any third party suppliers) in connection with the provision of the Services;
- 18.6.3 verify the Open Book Data;
- 18.6.4 verify the Supplier's and each Sub-Contractor's compliance with the applicable Law;
- 18.6.5 identify or investigate actual or suspected Prohibited Acts, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations;
- 18.6.6 identify or investigate any circumstances which may impact upon the financial stability of the Supplier and/or the Call Off Guarantor and/or any Sub-Contractors or their ability to perform the Services;
- 18.6.7 obtain such information as is necessary to fulfil the Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
- 18.6.8 review any books of account and the internal contract management accounts kept by the Supplier in connection with this Framework Agreement;
- 18.6.9 carry out the Authority's internal and statutory audits and to prepare, examine and/or certify the Authority's annual and interim reports and accounts;
- 18.6.10 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 Authority has used its resources;
- 18.6.11 verify the accuracy and completeness of any Management Information delivered or required by this Framework Agreement;
- 18.6.12 review any MI 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;
- 18.6.13 review the integrity, confidentiality and security of the Authority Personal Data; and/or
- 18.6.14 receive from the Supplier on request summaries of all central government public sector expenditure placed with the Supplier

including through routes outside the Framework in order to verify that the Supplier's practice is consistent with the Government's transparency agenda which requires all public sector bodies to publish details of expenditure on common goods and services.

- 18.7 The Authority shall use reasonable endeavours to ensure that the conduct of each Audit does not unreasonably disrupt the Supplier or delay the provision of the Services pursuant to the Call Off Agreements, save insofar as the Supplier accepts and acknowledges that control over the conduct of Audits carried out by the Auditors is outside of the control of the Authority.
- 18.8 Subject to the Authority's obligations of confidentiality, the Supplier shall on demand provide the Auditors with all reasonable co-operation and assistance in relation to each Audit, including by providing:
- 18.8.1 all information within the scope of the Audit requested by the Auditor;
  - 18.8.2 reasonable access to any sites controlled by the Supplier and to equipment used in the provision of the Services; and
  - 18.8.3 access to the Supplier Personnel.
- 18.9 If an Audit reveals that the Supplier has underpaid an amount equal to or greater than one per cent (1%) of the Management Charge due in respect of any one Contract Year or year of any Call Off Agreements then, without prejudice to the Authority's other rights under this Framework Agreement, the Supplier shall reimburse the Authority its reasonable costs incurred in relation to the Audit.
- 18.10 If an Audit reveals that:
- 18.10.1 that the Supplier has underpaid an amount equal to or greater than five per cent (5%) of the Management Charge due during any Contract Year of this Framework Agreement and any Call Off Agreement; and/or
  - 18.10.2 a material Default has been committed by the Supplier;
- then the Authority shall be entitled to terminate this Framework Agreement.
- 18.11 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Clause, save as specified in Clause 18.9.

## 19. CHANGE

### 19.1 Variation Procedure

- 19.1.1 Subject to the provisions of this Clause 19 and, in respect of any change to the Framework Prices, subject to the provisions of Framework Schedule 3 (Framework Prices and Charging Structure), the Authority may, at its own instance or where in its sole and absolute discretion it decides to having been requested to do so by the Supplier, request a variation to this Framework Agreement provided always that such variation does not amount to a material change of this Framework Agreement within the meaning of the Regulations and the Law. Such a change once implemented is hereinafter called a "**Variation**".

19.1.2 The Authority may request a Variation by completing and sending the Variation Form as set out in Framework Schedule 19 (Variation Form) to the Supplier giving sufficient information for the Supplier to assess the extent of the proposed Variation and any additional cost that may be incurred.

19.1.3 The Supplier shall respond to the Authority's request pursuant to Clause 19.1.2 within the time limits specified in the Variation Form. Such time limits shall be reasonable and ultimately at the discretion of the Authority having regard to the nature of the proposed Variation.

19.1.4 In the event that:

- (a) the Supplier is unable to agree to or provide the Variation; and/or
- (b) the Parties are unable to agree a change to the Framework Prices that may be included in a request for a Variation or response to it as a consequence thereof,
- (c) the Authority may:
  - (i) agree to continue to perform its obligations under this Framework Agreement without the Variation; or
  - (ii) terminate this Framework Agreement with immediate effect.

## 19.2 **Legislative Change**

19.2.1 The Supplier shall neither be relieved of its obligations under this Framework Agreement nor be entitled to an increase the Framework Prices as the result of:

- (a) a General Change in Law; or
- (b) a Specific Change in Law where the effect of that Specific Change in Law on the Services is reasonably foreseeable at the Framework Commencement Date.

19.2.2 If a Specific Change in Law occurs or will occur during the Framework Period (other than as referred to in Clause 19.2.1(b)), the Supplier shall:

- (a) notify the Authority as soon as reasonably practicable of the likely effects of that change including whether any Variation is required to the Services, the Framework Prices or this Framework Agreement; and
- (b) provide the Authority with evidence:
  - (i) that the Supplier has minimised any increase in costs or maximised any reduction in costs, including in respect of the costs of its Sub-Contractors;
  - (ii) as to how the Specific Change in Law has affected the cost of providing the Services; and
  - (iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Framework Schedule 12 (Continuous Improvement and Benchmarking) , has been taken into account in amending the Framework Prices.

19.2.3 Any change in the Framework Prices or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as

referred to in Clause 19.2.1(b) shall be implemented in accordance with Clause 19.1(Variation Procedure).

### **19.3 Interchange Fee And / Or Card Scheme Fees Change**

19.3.1 The Parties acknowledge that the Supplier may be subject to changes in Interchange Fee or Card Scheme Fees during the Framework Period (an “Interchange Fee And / Or Card Scheme Fees Change”).

19.3.2 The Supplier shall not be entitled to change the Framework Prices as the result of an Interchange Fee And / Or Card Scheme Fees Change until any such change is agreed in writing with the Authority in accordance with the process detailed in Clauses 19.3.3 and 19.3.4.

19.3.3 If an Interchange Fee And / Or Card Scheme Fees Change occurs or will occur during the Framework Period, the Supplier shall, in writing:

- (a) notify the Authority within 21 days of being informed of such a change along with a copy of any relevant information; and
- (b) as soon as reasonably practicable, inform the Authority of the likely effects of such a change to the Framework Prices or this Framework Agreement, including whether such a change may require a Variation once agreed with the Authority; and
- (c) provide the Authority with further written evidence:

- (i) that the Supplier shall minimise any increase in costs or maximise any reduction in costs, including in respect of the costs of its Sub-Contractors, resulting from the Interchange Fee And / Or Card Scheme Fees Change;
- (ii) detailing the effect of the Interchange Fee And / Or Card Scheme Fees Change on the overall cost of providing the Services; and
- (iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Framework Schedule 12 (Continuous Improvement and Benchmarking), has been taken into account in amending the Framework Prices.

19.3.4 The Parties agree that any change in the Framework Prices shall be implemented in accordance with Clause 19.1(Variation Procedure).

## **E. MANAGEMENT CHARGE, TAXATION AND VALUE FOR MONEY PROVISIONS**

### **20. MANAGEMENT CHARGE**

20.1 In consideration of the establishment and award of this Framework Agreement and the management and administration by the Authority of the same, the Supplier agrees to pay to the Authority the Management Charge in accordance with this Clause 20.

20.2 The Authority shall be entitled to submit invoices to the Supplier in respect of the Management Charge due each Month based on the Management Information provided pursuant to Framework Schedule 9 (Management Information), and adjusted:

- 20.2.1 in accordance with paragraphs 5.4 to 5.7 of Framework Schedule 9 (Management Information) to take into account of any Admin Fee(s) that may have accrued in respect of the late provision of Management Information; and
- 20.2.2 in accordance with paragraph 6 of Framework Schedule 9 (Management Information) to take into account of any underpayment or overpayment as a result of the application of the Default Management Charge.
- 20.3 Unless otherwise agreed in writing, the Supplier shall pay by BACS (or by such other means as the Authority may from time to time reasonably require)) the amount stated in any invoice submitted under Clause 20.2 to such account as shall be stated in the invoice (or otherwise notified from time to time by the Authority to the Supplier) within thirty (30) calendar days of the date of issue of the invoice.
- 20.4 The Management Charge shall apply to the full Charges as specified in each and every Call Off Agreement and shall not be varied as a result of any discount or any reduction in the Charges due to the application of any Service Credits (as defined in Annex 2 of Framework Schedule 4 (Template Order Form and Template Call Off terms) and/or any other deductions made under any Call Off Agreement.
- 20.5 The Supplier shall not pass through or recharge to, or otherwise recover from any Contracting Authority the cost of the Management Charge in addition to the Charges. The Management Charge shall be exclusive of VAT. In addition to the Management Charge, the Supplier shall pay the VAT on the Management Charge at the rate and in the manner prescribed by Law from time to time.
- 20.6 Interest shall be payable on any late payments of the Management Charge under this Framework Agreement in accordance with the Late Payment of Commercial Debts (Interest) Act 1998.

## **21. PROMOTING TAX COMPLIANCE**

- 21.1 If, at any point during the Framework Period, an Occasion of Tax Non-Compliance occurs, the Supplier shall:
  - 21.1.1 notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
  - 21.1.2 promptly provide to the Authority:
    - (a) details of the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance, together with any mitigating factors that it considers relevant; and
    - (b) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may reasonably require.
- 21.2 In the event that the Supplier fails to comply with this Clause 21 and/or does not provide details of proposed mitigating factors which in the reasonable opinion of the Authority are acceptable, then the Authority reserves the right to terminate this Framework Agreement for material Default.

## **22. BENCHMARKING**

22.1 The Parties shall comply with the provisions of Framework Schedule 12 (Continuous Improvement and Benchmarking) in relation to the benchmarking of any or all of the Services.

**23. NOT USED**

**F. SUPPLIER PERSONNEL AND SUPPLY CHAIN MATTERS**

**24. NOT USED**

**25. SUPPLY CHAIN RIGHTS AND PROTECTION**

**25.1 Appointment of Key Sub-Contractors**

25.1.1 The Authority has consented to the engagement of the Key Sub-Contractors listed in Framework Schedule 7 (Key Sub-Contractors).

25.1.2 Where during the Framework Period the Supplier wishes to enter into a new Key Sub-Contract or replace a Key Sub-Contractor, it must obtain the prior written consent of the Authority and the Contracting Authority with whom it has entered into a Call Off Agreement and shall at the time of requesting such consent, provide the Authority with the information detailed in Clause 25.1.3. The decision of the Authority to consent or not will not be unreasonably withheld or delayed. The Authority and/or the Contracting Authority may reasonably withhold their consent to the appointment of a Key Sub-Contractor if either of them considers that:

- (a) the appointment of a proposed Key Sub-Contractor may prejudice the provision of the Services or may be contrary to its interests;
- (b) the proposed Key Sub-Contractor is unreliable and/or has not provided reasonable services to its other customers; and/or
- (c) the proposed Key Sub-Contractor employs unfit persons.

25.1.3 The Supplier shall provide the Authority and the Contracting Authority with whom the Supplier has entered into a Call Off Agreement with the following information in respect of the proposed Key Sub-Contractor:

- (a) the proposed Key Sub-Contractor's name, registered office and company registration number;
- (b) the scope/description of any Services to be provided by the proposed Key Sub-Contractor;
- (c) where the proposed Key Sub-Contractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Authority that the proposed Key Sub-Contract has been agreed on "arm's-length" terms; and
- (d) Key Sub-Contract price expressed as a percentage of the total projected Framework Price over the Framework Period.

25.1.4 If requested by the Authority and/or the Contracting Authority with whom the Supplier has entered into a Call Off Agreement, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Clause 25.1.3, the Supplier shall also provide:

- (a) a copy of the proposed Key Sub-Contract; and
- (b) any further information reasonably requested by the Authority and/or the Contracting Authority with whom the Supplier has entered into a Call Off Agreement.

25.1.5 The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:

- (a) provisions which will enable the Supplier to discharge its obligations under this Framework Agreement;
- (b) a right under CRTPA for the Authority to enforce any provisions under the Key Sub-Contract which confer a benefit upon the Authority;
- (c) a provision enabling the Authority to enforce the Key Sub-Contract as if it were the Supplier;
- (d) 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 Authority;
- (e) obligations no less onerous on the Key Sub-Contractor than those imposed on the Supplier under this Framework Agreement in respect of:
  - (i) the data protection requirements set out in Clause 27.5 (Protection of Personal Data);
  - (ii) the FOIA requirements set out in Clause 27.4 (Freedom of Information);
  - (iii) the obligation not to embarrass the Authority or otherwise bring the Authority into disrepute set out in Clause 28 (Publicity and Branding);
  - (iv) the keeping of records in respect of the services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
  - (v) the conduct of audits set out in Clause 18 (Records, Audit Access and Open Book Data);
- (f) 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 Authority under Clauses 33 (Authority Termination Rights) and 35 (Consequences of Expiry or Termination) of this Framework Agreement;
- (g) a provision restricting the ability of the Key Sub-Contractor to Sub-Contract all or any part of the provision of the Services provided to the Supplier under the Key Sub-Contract without first seeking the written consent of the Authority;

## 25.2 Supply Chain Protection

25.2.1 The Supplier shall ensure that all Sub-Contracts contain a provision:

- (a) requiring the Supplier to pay any undisputed sums which are due from the Supplier to the Sub-Contractor within a specified period not exceeding thirty (30) days from the receipt of a valid invoice;
- (b) requiring that any invoices submitted by a Sub-Contractor shall be considered and verified by the Supplier in a timely fashion and that

undue delay in doing so shall not be sufficient justification for failing to regard an invoice as valid and undisputed;

- (c) requiring the Sub-Contractor to include in any Sub-Contract which it in turn awards suitable provisions to impose, as between the parties to that Sub-Contract, requirements to the same effect as those required by sub-clauses (a) and (b) above; and
- (d) conferring a right to the Authority and any Contracting Authority with whom the Supplier has entered a Call Off Agreement to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period.

25.2.2 The Supplier shall pay any undisputed sums which are due from the Supplier to a Sub-Contractor within thirty (30) days from the receipt of a valid invoice.

25.2.3 Any invoices submitted by a Sub-Contractor shall be considered and verified by the Supplier in a timely fashion. Undue delay in doing so shall not be sufficient justification for failing to regard an invoice as valid and undisputed.

25.2.4 Notwithstanding any provision of Clauses 27.2 (Confidentiality) and 28 (Publicity and Branding) if the Supplier notifies the Authority that the Supplier has failed to pay an undisputed Sub-Contractor's invoice within thirty (30) days of receipt, or the Authority otherwise discovers the same, the Authority shall be entitled to publish the details of the late payment or non-payment (including on government websites and in the press).

### 25.3 **Cyber Essentials Scheme Certification**

25.3.1 The Supplier shall ensure that all Sub-Contracts with Sub-Contractors who Process Cyber Essentials Data contain provisions no less onerous on the Sub-Contractors than those imposed on the Supplier under this Framework Agreement in respect of the Cyber Essentials Scheme under Clause 9.

### 25.4 **Termination of Sub-Contracts**

25.4.1 The Authority may require the Supplier to terminate:

(a) a Sub-Contract where:

- (i) the acts or omissions of the relevant Sub-Contractor have caused or materially contributed to the Authority's right of termination pursuant to any of the termination events in Clause 33 (Authority Termination Rights) except Clause 33.7 (Termination Without Cause); and/or
- (ii) the relevant Sub-Contractor or its Affiliates embarrassed the Authority or otherwise brought the Authority into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Sub-Contractor's obligations in relation to the Services or otherwise; and/or

(b) a Key Sub-Contract where there is a Change of Control of the relevant Key Sub-contractor, unless:

- (i) the Authority has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or

- (ii) the Authority has not served its notice of objection within six (6) months of the later of the date the Change of Control took place or the date on which the Authority was given notice of the Change of Control.

25.4.2 Where the Authority requires the Supplier to terminate a Sub-Contract or a Key Sub-Contract pursuant to Clause 25.4.1 above, the Supplier shall remain responsible for fulfilling all its obligations under this Framework Agreement including the provision of the Services.

## 25.5 **Competitive Terms**

25.5.1 If the Authority is able to obtain from any Sub-Contractor or any other third party more favourable commercial terms with respect to the supply of any materials, equipment, software, goods or services used by the Supplier or the Supplier Personnel in the supply of the Services, then the Authority may:

- (a) require the Supplier to replace its existing commercial terms with its Sub-Contractor with the more favourable commercial terms obtained by the Authority in respect of the relevant item; or
- (b) subject to Clause 25.4 (Termination of Sub-Contracts), enter into a direct agreement with that Sub-Contractor or third party in respect of the relevant item.

25.5.2 If the Authority exercises either option pursuant to Clause 25.5.1, then the Framework Prices shall be reduced by an amount that is agreed in accordance with Clause 19.1 (Variation Procedure).

25.5.3 The Authority's right to enter into a direct agreement for the supply of the relevant items is subject to:

- (a) the Authority shall make the relevant item available to the Supplier where this is necessary for the Supplier to provide the Services; and
- (b) any reduction in the Framework Prices taking into account any unavoidable costs payable by the Supplier in respect of the substituted item, including in respect of any licence fees or early termination charges.

## 25.6 **Retention of Legal Obligations**

25.6.1 Notwithstanding the Supplier's right to sub-contract pursuant to this Clause 25, the Supplier shall remain responsible for all acts and omissions of its Sub-Contractors and the acts and omissions of those employed or engaged by the Sub-Contractors as if they were its own.

# **G. INTELLECTUAL PROPERTY AND INFORMATION**

## **26. INTELLECTUAL PROPERTY RIGHTS**

### **26.1 Allocation of title to IPR**

26.1.1 Save as granted under this Framework Agreement, neither Party shall acquire any right, title or interest in or to the Intellectual Property Rights of the other Party.

26.1.2 Where either Party acquires, by operation of Law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out

in Clause 26.1.1, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

26.1.3 Subject to Clauses 26.1.4, neither Party shall have any right to use any of the other Party's names, logos or trademarks on any of its products or services without the other Party's prior written consent.

26.1.4 Subject to full compliance with the Branding Guidance, the Supplier shall be entitled to use the Authority's logo exclusively in connection with the provision of the Services during the Framework Period and for no other purpose.

## 26.2 IPR Indemnity

26.2.1 The Supplier shall ensure and procure that the availability, provision and use of the Services and the performance of the Supplier's responsibilities and obligations hereunder shall not infringe any Intellectual Property Rights of any third party.

26.2.2 The Supplier shall at during and after the Framework Period, on written demand indemnify the Authority against all Losses incurred by, awarded against or agreed to be paid by the Authority (whether before or after the making of the demand pursuant to the indemnity hereunder) arising from an IPR Claim.

26.2.3 If an IPR Claim is made, or the Supplier anticipates that an IPR Claim might be made, the Supplier may, at its own expense and sole option, either:

- (a) procure for the Authority the right to continue using the relevant item which is subject to the IPR Claim; or
- (b) replace or modify the relevant item with non-infringing substitutes provided that:

- (i) the performance and functionality of the replaced or modified item is at least equivalent to the performance and functionality of the original item;
- (ii) the replaced or modified item does not have an adverse effect on any other Services;
- (iii) there is no additional cost to the Authority; and
- (iv) the terms and conditions of this Framework Agreement shall apply to the replaced or modified Services.

26.2.4 If the Supplier elects to procure a licence in accordance with Clause 26.2.3(a) or to modify or replace an item pursuant to Clause 26.2.3(b), but this has not avoided or resolved the IPR Claim, then:

- (a) the Authority may terminate this Framework Agreement by written notice with immediate effect; and
- (b) without prejudice to the indemnity set out in Clause 26.2.2, the Supplier shall be liable for all reasonable and unavoidable costs of the substitute items and/or services including the additional costs of procuring, implementing and maintaining the substitute items.

## 27. PROVISION AND PROTECTION OF INFORMATION

## 27.1 Provision of Management Information

27.1.1 The Supplier shall, at no charge to the Authority, submit to the Authority complete and accurate Management Information in accordance with the provisions of Framework Schedule 9 (Management Information).

27.1.2 The Supplier grants the Authority a non-exclusive, transferable, perpetual, irrevocable, royalty free licence to:

- (a) use and to share with any Other Contracting Authority and Relevant Person; and/or
- (b) publish (subject to any information that is exempt from disclosure in accordance with the provisions of FOIA being redacted),

any Management Information supplied to the Authority for the Authority's normal operational activities including but not limited to administering this Framework Agreement and/or all Call Off Agreements, monitoring public sector expenditure, identifying savings or potential savings and planning future procurement activity.

27.1.3 The Authority shall in its absolute and sole discretion determine whether any Management Information is exempt from disclosure in accordance with the provisions of the FOIA.

27.1.4 The Authority may consult with the Supplier to help with its decision regarding any exemptions under Clause 27.1.3 but, for the purpose of this Framework Agreement, the Authority shall have the final decision in its absolute and sole discretion.

## 27.2 Confidentiality

27.2.1 For the purposes of this Clause 27.2, the term “**Disclosing Party**” shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and “**Recipient**” shall mean the Party which receives or obtains directly or indirectly Confidential Information.

27.2.2 Except to the extent set out in this Clause 27.2 or where disclosure is expressly permitted elsewhere in this Framework Agreement, the Recipient shall:

- (a) treat the Disclosing Party's Confidential Information as confidential and keep it in secure custody (which is appropriate depending upon the form in which such materials are stored and the nature of the Confidential Information contained in those materials); and
- (b) not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this Framework Agreement or without obtaining the Disclosing Party's prior written consent;
- (c) not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this Framework Agreement; and
- (d) immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.

27.2.3 The Recipient shall be entitled to disclose the Confidential Information of the Disclosing Party where:

- (a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause 27.4 (Freedom of Information) shall apply to disclosures required under the FOIA or the EIRs;
- (b) the need for such disclosure arises out of or in connection with:
  - (i) any legal challenge or potential legal challenge against the Authority arising out of or in connection with this Framework Agreement;
  - (ii) the examination and certification of the Authority's accounts (provided that the disclosure is made on a confidential basis) or for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority is making use of its resources; or
  - (iii) the conduct of a Central Government Body review in respect of this Framework Agreement; or
- (c) the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010 and the disclosure is being made to the Serious Fraud Office.

27.2.4 If the Recipient is required by Law to make a disclosure of Confidential Information, the Recipient shall as soon as reasonably practicable and to the extent permitted by Law notify the Disclosing Party of the full circumstances of the required disclosure including the relevant Law and/or regulatory body requiring such disclosure and the Confidential Information to which such disclosure would apply.

27.2.5 Subject to Clauses 27.2.2 and 27.2.3, the Supplier may only disclose the Confidential Information of the Authority on a confidential basis to:

- (a) Supplier Personnel who are directly involved in the provision of the Services and need to know the Confidential Information to enable the performance of the Supplier's obligations under this Framework Agreement; and
- (b) its professional advisers for the purposes of obtaining advice in relation to this Framework Agreement.

27.2.6 Where the Supplier discloses the Confidential Information of the Authority pursuant to Clause 27.2.5, it shall remain responsible at all times for compliance with the confidentiality obligations set out in this Framework Agreement by the persons to whom disclosure has been made.

27.2.7 The Authority may disclose the Confidential Information of the Supplier:

- (a) to any Central Government Body or Other Contracting Authority on the basis that the information may only be further disclosed to Central Government Bodies or Other Contracting Authorities;

- (b) to the British Parliament and any committees of the British Parliament or if required by any British Parliamentary reporting requirement;
- (c) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
- (d) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 27.2.7(a) (including any benchmarking organisation) for any purpose relating to or connected with this Framework Agreement;
- (e) on a confidential basis for the purpose of the exercise of its rights under this Framework Agreement; or
- (f) to a proposed transferee, assignee or novatee of, or successor in title to the Authority,
- (g) and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Clause 27.2.7.

27.2.8 For the avoidance of doubt, the Confidential Information that the Authority may disclose under Clause 27.2.7 shall include information relating to Call Off Agreements, including service levels, pricing information (which includes information on prices tendered in a Further Competition Procedure, even where such a Further Competition Procedure does not result in the award of a Call Off Agreement) and the terms of any Call Off Agreement may be shared with any Central Government Body or Other Contracting Authority from time to time.

27.2.9 Nothing in this Clause 27.2 shall prevent a Recipient from using any techniques, ideas or Know-How which the Recipient has gained during the performance of this Framework Agreement in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.

27.2.10 In the event that the Supplier fails to comply with Clauses 27.2.2 to 27.2.5, the Authority reserves the right to terminate this Framework Agreement for material Default.

### **27.3 Transparency**

27.3.1 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Framework Agreement is not Confidential Information. The Authority shall determine whether any of the content of this Framework Agreement is exempt from disclosure in accordance with the provisions of the FOIA. The Authority may consult with the Supplier to inform its decision regarding any redactions but shall have the final decision in its absolute discretion.

- 27.3.2 Notwithstanding any other provision of this Framework Agreement, the Supplier hereby gives its consent for the Authority to publish this Framework Agreement in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including any changes to this Framework Agreement agreed from time to time.
- 27.3.3 The Supplier acknowledges that publication of this Framework Agreement will include the publication of the name and contact details of the Supplier Representative. Such details will not be redacted. By executing this Framework Agreement, the Supplier confirms that it has ensured that the Supplier Representative has given their consent to the publication of their name and contact details or otherwise taken steps to ensure that publication will not breach the Data Protection Act 1998. The name and contact details of any subsequent Supplier Representative details will also be published and in every such case the Supplier will ensure that consent is obtained or otherwise takes steps to ensure that publication of those details will not amount to a breach of the Data Protection Act 1998.
- 27.3.4 The Supplier shall assist and cooperate with the Authority to enable the Authority to publish this Framework Agreement.

#### **27.4 Freedom of Information**

- 27.4.1 The Supplier acknowledges that the Authority is subject to the requirements of the FOIA and the EIRs. The Supplier shall:
- (a) provide all necessary assistance and cooperation as reasonably requested by the Authority to enable the Authority to comply with its Information disclosure obligations under the FOIA and EIRs;
  - (b) transfer to the Authority all Requests for Information relating to this Framework Agreement that it receives as soon as practicable and in any event within two (2) Working Days of receipt;
  - (c) provide the Authority with a copy of all Information belonging to the Authority requested in the Request for Information which is in the Supplier's possession or control in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may reasonably specify) of the Authority's request for such Information; and
  - (d) not respond directly to a Request for Information unless authorised in writing to do so by the Authority.
- 27.4.2 The Supplier acknowledges that the Authority may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Authority shall take reasonable steps to notify the Supplier of a Request for Information (in accordance with the Secretary of State's Section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Framework Agreement) for the purpose of this Framework Agreement, the Authority shall be responsible for determining in its absolute

discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and/or the EIRs.

## 27.5 **Protection of Personal Data**

27.5.1 Where any Personal Data is Processed in connection with the exercise of the Parties' rights and obligations under this Framework Agreement, the Parties acknowledge that the Authority is the Data Controller and that the Supplier is the Data Processor.

27.5.2 The Supplier shall:

- (a) Process the Personal Data only in accordance with instructions from the Authority to perform its obligations under this Framework Agreement;
- (b) ensure that at all times it has in place appropriate technical and organisational measures to guard against unauthorised or unlawful Processing of the Personal Data and/or accidental loss, destruction, or damage to the Personal Data;
- (c) not disclose or transfer the Personal Data to any third party or Supplier Personnel unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, obtain the prior written consent of the Authority (save where such disclosure or transfer is specifically authorised under this Framework Agreement);
- (d) take reasonable steps to ensure the reliability and integrity of any Supplier Personnel who have access to the Personal Data and ensure that the Supplier Personnel:
  - (i) are aware of and comply with the Supplier's duties under this Clause 27.5.2 and Clause 27.2 (Confidentiality);
  - (ii) 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 Authority or as otherwise permitted by this Framework Agreement; and
  - (iii) have undergone adequate training in the use, care, protection and handling of personal data (as defined in the DPA);
- (e) notify the Authority within five (5) Working Days if it receives:
  - (i) from a Data Subject (or third party on their behalf) a Data Subject Access Request (or purported Data Subject Access Request), a request to rectify, block or erase any Personal Data or any other request, complaint or communication relating to the Authority's obligations under the DPA;
  - (ii) any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data; or
  - (iii) 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;

- (f) provide the Authority with full cooperation and assistance (within the timescales reasonably required by the Authority) in relation to any complaint, communication or request made (as referred to as Clause 27.5.2(e), including by promptly providing:
  - (i) the Authority with full details and copies of the complaint, communication or request;
  - (ii) where applicable, such assistance as is reasonably requested by the Authority to enable the Authority to comply with the Data Subject Access Request within the relevant timescales set out in the DPA; and
  - (iii) the Authority, on request by the Authority, with any Personal Data it holds in relation to a Data Subject; and
- (g) if requested by the Authority, provide a written description of the measures that the Supplier has taken and technical and organisational security measures in place, for the purpose of compliance with its obligations pursuant to this Clause 27.5.2 and provide to the Authority copies of all documentation relevant to such compliance including, protocols, procedures, guidance, training and manuals.

27.5.3 The Supplier shall not Process or otherwise transfer any Personal Data in or to any country outside the European Economic Area or any country which is not determined to be adequate by the European Commission pursuant to Article 25(6) of Directive 95/46/EC (together “**Restricted Countries**”). If, after the Framework Commencement Date, the Supplier or any Sub-Contractor wishes to Process and/or transfer any Personal Data in or to anywhere outside the European Economic Area, the following provisions shall apply:

- (a) the Supplier shall propose a variation to the Authority which, if it is agreed by the Authority, shall be dealt with in accordance with Clause 19.1 (Variation Procedure) and Clauses 27.5.3(b) to 27.5.3(d);
- (b) the Supplier shall set out in its proposal to the Authority for a Variation, details of the following:
  - (i) the Personal Data which will be transferred to and/or Processed in or to any Restricted Countries;
  - (ii) the Restricted Countries to which the Personal Data will be transferred and/or Processed; and
  - (iii) any Sub-Contractors or other third parties who will be Processing and/or receiving Personal Data in Restricted Countries;
  - (iv) how the Supplier will ensure an adequate level of protection and adequate safeguards in respect of the Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure the Authority’s compliance with the DPA;
- (c) in providing and evaluating the Variation, the Parties shall ensure that they have regard to and comply with the Authority, Central Government Bodies and Information Commissioner Office policies,

procedures, guidance and codes of practice on, and any approvals processes in connection with, the Processing in and/or transfers of Personal Data to any Restricted Countries; and

- (d) the Supplier shall comply with such other instructions and shall carry out such other actions as the Authority may notify in writing, including:
  - (i) incorporating standard and/or model clauses (which are approved by the European Commission as offering adequate safeguards under the DPA) into this Framework Agreement or a separate data processing agreement between the Parties; and
  - (ii) procuring that any Sub-Contractor or other third party who will be Processing and/or receiving or accessing the Personal Data in any Restricted Countries either enters into:
    - (A) a direct data processing agreement with the Authority on such terms as may be required by the Authority; or
    - (B) a data processing agreement with the Supplier on terms which are equivalent to those agreed between the Authority and the Supplier relating to the relevant Personal Data transfer,

and the Supplier acknowledges that in each case, this may include the incorporation of model contract provisions (which are approved by the European Commission as offering adequate safeguards under the DPA) and technical and organisation measures which the Authority deems necessary for the purpose of protecting Personal Data.

27.5.4 The Supplier shall use its reasonable endeavours to assist the Authority to comply with any obligations under the DPA and shall not perform its obligations under this Framework Agreement in such a way as to cause the Authority to breach any of the Authority's obligations under the DPA to the extent the Supplier is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.

## **28. PUBLICITY AND BRANDING**

28.1 Subject to Clause 29 (Marketing), the Supplier shall not:

28.1.1 make any press announcements or publicise this Framework Agreement in any way; or

28.1.2 use the Authority's name or brand in any promotion or marketing or announcement of Orders,

without Approval (the decision of the Authority to Approve or not shall not be unreasonably withheld or delayed).

28.2 Each Party acknowledges to the other that nothing in this Framework Agreement either expressly or by implication constitutes an approval and/or endorsement of any products or services of the other Party (including the Services) and each Party agrees not to conduct itself in such a way as to imply or express any such approval and/or endorsement.

28.3 The Authority shall be entitled to publicise this Framework Agreement in accordance with any legal obligation upon the Authority, including any examination of this Framework Agreement by the National Audit Office pursuant to the National Audit Act 1983 or otherwise.

## **29. MARKETING**

29.1 The Supplier shall undertake marketing of this Framework Agreement and the Services on behalf of the Authority to Other Contracting Authorities in accordance with the provisions of Framework Schedule 11 (Marketing).

29.2 The Supplier shall obtain the Authority's Approval prior to publishing any content in relation to this Framework Agreement using any media, including on any electronic medium, and the Supplier will ensure that such content is regularly maintained and updated. In the event that the Supplier fails to maintain or update the content, the Authority may give the Supplier notice to rectify the failure and if the failure is not rectified to the reasonable satisfaction of the Authority within one (1) Month of receipt of such notice, the Authority shall have the right to remove such content itself or require that the Supplier immediately arranges the removal of such content.

## **H. LIABILITY AND INSURANCE**

### **30. LIABILITY**

30.1 Neither Party excludes or limits its liability for:

30.1.1 death or personal injury caused by its negligence, or that of its employees, agents or Sub-Contractors (as applicable);

30.1.2 bribery or Fraud by it or its employees; or

30.1.3 any liability to the extent it cannot be excluded or limited by Law.

30.2 The Supplier does not exclude or limit its liability in respect of the indemnity of clause 26.2 (IPR Indemnity) and in each case whether before or after the making of a demand pursuant to the indemnity therein.

30.3 Subject to Clauses 30.1 and 30.2, each Party's total aggregate liability in respect of all Losses incurred under or in connection with this Framework Agreement as a result of Defaults or Authority Cause (as the case may be) shall in no event exceed:

30.3.1 in relation to any Default or Authority Cause (as the case may be) occurring from the Framework Commencement Date to the end of the first Contract Year, the sum of one million pounds (£1,000,000);

30.3.2 in relation to any Default or Authority Cause (as the case may be) occurring in each subsequent Contract Year following the end of the first Contract Year, that commences during the remainder of the Framework Period, the higher of the sum of one million pounds (£1,000,000) in each such Contract Year and a sum equal to one hundred and twenty five percent (125%) of the Management Charge payable by the Supplier under this Framework Agreement in the previous Contract Year; and

30.3.3 in relation to any Default or Authority Cause occurring in each Contract Year that commences after the end of the Framework

Period, the higher of the sum of one million pounds (£1,000,000) in each such Contract Year and a sum equal to one hundred and twenty five percent (125%) of the Management Charge payable by the Supplier under this Framework Agreement in the last Contract Year commencing during the Framework Period.

- 30.4 Subject to Clause 30.1, neither Party shall be liable to the other Party for any:
- 30.4.1 indirect, special or consequential Loss;
  - 30.4.2 loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).
- 30.5 Subject to Clause 30.3, and notwithstanding Clause 30.4, the Supplier acknowledges that the Authority may, amongst other things, recover from the Supplier the following Losses incurred by the Authority to the extent that they arise as a result of a Default by the Supplier:
- 30.5.1 any Management Charge or Default Management Charge which are due and payable to the Authority;
  - 30.5.2 any additional operational and/or administrative costs and expenses incurred by the Authority, including costs relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;
  - 30.5.3 any wasted expenditure or charges;
  - 30.5.4 the additional cost of procuring Replacement Services for the remainder of the Framework Period, which shall include any incremental costs associated with such Replacement Services above those which would have been payable under this Framework Agreement;
  - 30.5.5 any compensation or interest paid to a third party by the Authority;
  - 30.5.6 any fine, penalty or costs incurred by the Authority pursuant to Law.
- 30.6 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Framework Agreement.
- 30.7 Any Default Management Charge shall not be taken into consideration when calculating the Supplier's liability under Clause 30.3.
- 30.8 For the avoidance of doubt, the Parties acknowledge and agree that this Clause 30 shall not limit the Supplier's liability to a Contracting Authority under any Call Off Agreement and the Supplier's liability under a Call Off Agreement shall be as provided for in that Call Off Agreement only.

## **31. INSURANCE**

- 31.1 The Supplier shall effect and maintain insurances in relation to the performance of its obligations under this Framework Agreement and any Call Off Agreement, and shall procure that Subcontractors shall effect and maintain insurances in relation to the performance of their obligations under any Sub-Contract, in accordance with Schedule 14 (Insurance Requirements).
- 31.2 The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities arising under this Framework Agreement or any Call Off Agreements.

## **I. REMEDIES**

### **32. AUTHORITY REMEDIES**

- 32.1 Without prejudice to any other rights or remedies arising under this Framework Agreement, including under Clause 33.2 (Termination on Material Default), if the Supplier fails to achieve a KPI Target on two or more occasions within any twelve (12) Month rolling period, the Supplier acknowledges and agrees that the Authority shall have the right to exercise (in its absolute and sole discretion) all or any of the following remedial actions:
- 32.1.1 The Authority shall be entitled to require the Supplier, and the Supplier agrees to prepare and provide to the Authority, an Improvement Plan within ten (10) Working Days of a written request by the Authority for such Improvement Plan. Such Improvement Plan shall be subject to Approval and the Supplier will be required to implement any Approved Improvement Plan, as soon as reasonably practicable.
  - 32.1.2 The Authority shall be entitled to require the Supplier, and the Supplier agrees to attend, within a reasonable time one (1) or more meetings at the request of the Authority in order to resolve the issues raised by the Authority in its notice to the Supplier requesting such meetings.
  - 32.1.3 The Authority shall be entitled to serve an Improvement Notice on the Supplier and the Supplier shall implement such requirements for improvement as set out in the Improvement Notice.
  - 32.1.4 In the event that the Authority has, in its absolute and sole discretion, invoked one or more of the remedies set out above and the Supplier either:
    - (a) fails to implement such requirements for improvement as set out in the Improvement Notice; and/or
    - (b) fails to implement an Improvement Plan Approved by the Authority;then (without prejudice to any other rights and remedies of termination provided for in this Framework Agreement), the Authority shall be entitled to terminate this Framework Agreement.

## **J. TERMINATION AND SUSPENSION**

### **33. AUTHORITY TERMINATION RIGHTS**

#### **33.1 Termination in Relation To Guarantee**

##### **33.1.1 NOT USED**

- 33.1.2 Where the Supplier is required to procure a Call Off Guarantee pursuant to Clause 8.3 (Guarantee), the Authority may terminate this Framework Agreement by issuing a Termination Notice to the Supplier where:
- (a) the Call Off Guarantor withdraws the Call Off Guarantee for any reason whatsoever;

- (b) the Call Off Guarantor is in breach or anticipatory breach of the Call Off Guarantee;
- (c) an Insolvency Event occurs in respect of the Call Off Guarantor;
- (d) the Call Off Guarantee becomes invalid or unenforceable for any reason whatsoever;

and in each case the Call Off Guarantee (as applicable) is not replaced by an alternative guarantee agreement acceptable to the Authority; or

- (e) the Supplier fails to provide the documentation required by Clause 8.3 by the date so specified by the Contracting Authority.

### 33.2 Termination on Material Default

33.2.1 The Authority may terminate this Framework Agreement for material Default by issuing a Termination Notice to the Supplier where:

- (a) the Supplier fails to accept a Call Off Agreement pursuant to paragraph 7.2 of Framework Schedule 5 (Call Off Procedure);
- (b) a Contracting Authority terminates a Call Off Agreement for the Supplier's breach of that Call Off Agreement;
- (c) an Audit reveals that the Supplier has underpaid an amount equal to or greater than five per cent (5%) of the Management Charge due;
- (d) the Supplier refuses or fails to comply with its obligations as set out in Framework Schedule 12 (Continuous Improvement and Benchmarking);
- (e) in the event of two or more failures by the Supplier to meet the KPI Targets whether the failures relate to the same or different KPI targets, in any rolling period of three (3) months;
- (f) the Authority expressly reserves the right to terminate this Framework Agreement for material Default including pursuant to:
  - (i) Clause 9.4 (Cyber Essentials Scheme Condition)
  - (ii) Clause 19.1.4(c)(ii) (Variation Procedure);
  - (iii) Clause 27.2.10 (Confidentiality);
  - (iv) Clause 40.6.2 (Prevention of Fraud and Bribery);
  - (v) Clause 36.1.2 (Compliance);
  - (vi) Clause 41.3 (Conflicts of Interest);
  - (vii) paragraph 6.2 of Framework Schedule 9 (Management Information); and/or
  - (viii) anywhere that is stated in this Framework Agreement that the Supplier by its act or omission will have committed a material Default;
- (g) the Supplier commits a material Default of any of the following Clauses or Framework Schedules:
  - (i) Clause 7 (Representations and Warranties) except Clause 7.2.6;

- (ii) Clause 11 (Framework Agreement Performance);
- (iii) Clause 18 (Records, Audit Access and Open Book Data);
- (iv) Clause 20 (Management Charge);
- (v) Clause 21 (Promoting Tax Compliance);
- (vi) Clause 25 (Supply Chain Rights and Protection);
- (vii) Clause 27.1 (Provision of Management Information);
- (viii) Clause 27.4 (Freedom of Information);
- (ix) Clause 27.5 (Protection of Personal Data); and
- (x) paragraph 1.2 of Part B of Framework Schedule 2 (Services and Key Performance Indicators).

- (h) the representation and warranty given by the Supplier pursuant to Clause 7.2.6 is materially untrue or misleading, and the Supplier fails to provide details of proposed mitigating factors which in the reasonable opinion of the Authority are acceptable;
- (i) the Supplier commits any material Default which is not, in the reasonable opinion of the Authority, capable of remedy; and/or
- (j) the Supplier commits a Default, including a material Default, which in the opinion of the Authority is remediable but has not remedied such Default to the satisfaction of the Authority within twenty (20) Working Days, or such other period as may be specified by the Authority, after issue of a written notice from the Authority to the Supplier specifying the remediable Default and requesting it to be remedied in accordance with any instructions of the Authority.

### **33.3 Termination in Relation to Financial Standing**

33.3.1 The Authority may terminate this Framework Agreement by issuing a Termination Notice to the Supplier where in the reasonable opinion of the Authority there is a material detrimental change in the financial standing and/or the credit rating of the Supplier which:

- (a) adversely impacts on the Supplier's ability to supply the Services under this Framework Agreement; or
- (b) could reasonably be expected to have an adverse impact on the Suppliers ability to supply the Services under this Framework Agreement.

### **33.4 Termination on Insolvency**

33.4.1 The Authority may terminate this Framework Agreement by issuing a Termination Notice to the Supplier where an Insolvency Event affecting the Supplier occurs.

### **33.5 Termination on Change of Control**

33.5.1 The Supplier shall notify the Authority immediately if the Supplier is intending to undergo, undergoes or has undergone a Change of Control and provided this does not contravene any Law, shall notify

the Authority immediately in writing of the circumstances suggesting and/or explaining that a Change of Control is planned or is in contemplation or has taken place. The Authority may terminate this Framework Agreement by issuing a Termination Notice to the Supplier within six (6) Months of:

- (a) being notified in writing that a Change of Control is planned or is in contemplation or has occurred; or
- (b) where no notification has been made, the date that the Authority becomes aware that a Change of Control is planned or is in contemplation or has occurred,

but shall not be permitted to terminate where an Approval was granted prior to the Change of Control.

### **33.6 Termination for breach of Regulations**

33.6.1 The Authority may terminate this Framework Agreement by issuing a Termination Notice to the Supplier on the occurrence of any of the statutory provisos contained in Regulation 73 (1) (a) to (c).

### **33.7 Termination Without Cause**

33.7.1 The Authority shall have the right to terminate this Framework Agreement with effect from at any time following nine (9) Months after the Framework Commencement Date by giving at least three (3) Months' written notice to the Supplier.

### **33.8 Partial Termination**

33.8.1 Where the Authority has the right to terminate this Framework Agreement, the Authority is entitled to terminate all or part of this Framework Agreement pursuant to this Clause 33.8 provided always that, if the Authority elects to terminate this Framework Agreement in part, the parts of this Framework Agreement not terminated or suspended can, in the Authority's reasonable opinion, operate effectively to deliver the intended purpose of the surviving parts of this Framework Agreement.

33.8.2 The Parties shall endeavour to agree the effect of any Variation necessitated by a partial termination in accordance with Clause 19.1 (Variation Procedure) including the effect that the partial termination may have on the on the provision of any other Services and the Framework Prices provided that:

- (a) the Supplier shall not be entitled to an increase in the Framework Prices in respect of the Services that have not been terminated if the partial termination arises due to the exercise of any of the Customer's termination rights under Clause 33 (Authority Termination Rights) with the exception of Clause 33.7 (Termination Without Cause); and
- (b) the Supplier shall not be entitled to reject the variation.

## **34. SUSPENSION OF SUPPLIER'S APPOINTMENT**

34.1 If the Authority is entitled to terminate this Framework Agreement pursuant to Clause 33 (Authority Termination Rights), the Authority may instead elect in its sole discretion to suspend the Supplier's ability to accept Orders under this

Framework Agreement by giving notice in writing to the Supplier, and the Supplier agrees that it shall not be entitled to enter into any new Call Off Agreement during the period specified in the Authority's notice.

- 34.2 Any suspension under Clause 34.1 shall be without prejudice to any right of termination which has already accrued, or subsequently accrues, to the Authority.
- 34.3 The Parties acknowledge that suspension shall not affect the Supplier's obligation to perform any existing Call Off Agreements concluded prior to the suspension notice.
- 34.4 If the Authority provides notice to the Supplier in accordance with this Clause 34, the Supplier's appointment under this Framework Agreement shall be suspended for the period set out in the notice or such other period notified to the Supplier by the Authority in writing from time to time.
- 34.5 For the avoidance of doubt, no period of suspension under this Clause 34 shall result in an extension of the Framework Period.

### **35. CONSEQUENCES OF EXPIRY OR TERMINATION**

- 35.1 Notwithstanding the service of a notice to terminate this Framework Agreement, the Supplier shall continue to fulfil its obligations under this Framework Agreement until the date of expiry or termination of this Framework Agreement or such other date as required under this Clause 35.
- 35.2 Termination or expiry of this Framework Agreement shall not cause any Call Off Agreements to terminate automatically. For the avoidance of doubt, all Call Off Agreements shall remain in force unless and until they are terminated or expire in accordance with the provisions of the Call Off Agreement and the Supplier shall continue to pay any Management Charge due to the Authority in relation to such Call Off Agreements, notwithstanding the termination or expiry of this Framework Agreement.
- 35.3 If the Authority terminates this Framework Agreement under Clause 33.2 (Termination on Material Default) and then makes other arrangements for the supply of the Services to Contracting Authorities, the Supplier shall indemnify the Authority in full upon demand for the cost of procuring, implementing and operating any alternative or replacement services to the Services and no further payments shall be payable by the Authority until the Authority has established and recovered from the Supplier the full amount of such cost.
- 35.4 Within ten (10) Working Days of the date of termination or expiry of this Framework Agreement, the Supplier shall return to the Authority any and all of the Authority's Confidential Information in the Supplier's possession, power or control, either in its then current format or in a format nominated by the Authority, and any other information and all copies thereof owned by the Authority, save that it may keep one copy of any such data or information to the extent reasonably necessary to comply with its obligations under this Framework Agreement or under any Law, for a period of up to twelve (12) Months (or such other period as Approved by the Authority and is reasonably necessary for such compliance).
- 35.5 Termination or expiry of this Framework Agreement shall be without prejudice to any rights, remedies or obligations of either Party accrued under this Framework Agreement prior to termination or expiry.
- 35.6 Termination or expiry of this Framework Agreement shall be without prejudice to the survival of any provision of this Framework Agreement which expressly (or by

implication) is to be performed or observed notwithstanding termination or expiry of this Framework Agreement, including the provisions of:

- 35.6.1 Clauses 1 (Definitions and Interpretation), 7 (Representations and Warranties), 9 (Cyber Essentials Scheme Condition), 11 (Framework Agreement Performance), 18 (Records, Audit Access and Open Book Data), 20 (Management Charge), 26 (Intellectual Property Rights), 27.1 (Provision of Management Information), 27.2 (Confidentiality), 27.3 (Transparency), 27.4 (Freedom of Information), 27.5 (Protection of Personal Data), 30 (Liability), 31 (Insurance), 35 (Consequences of Expiry or Termination), 36 (Compliance), 38 (Waiver and Cumulative Remedies), 40 (Prevention of Fraud and Bribery), 42 (Severance), 44 (Entire Agreement), 45 (Third Party Rights), 46 (Notices), 47 (Complaints Handling), 48 (Dispute Resolution) and 49 (Governing Law and Jurisdiction); and
- 35.6.2 Framework Schedules 2 (Services and Key Performance Indicators), 3 (Framework Prices and Charging Structure), 7 (Key Sub-Contractors), 8 (Framework Management), 9 (Management Information), 10 (Annual Self Audit Certificate), 12 (Continuous Improvement and Benchmarking), 14 (Insurance Requirements), 17 (Commercially Sensitive Information) and 21 (Tender).

## **K. MISCELLANEOUS AND GOVERNING LAW**

### **36. COMPLIANCE**

#### **36.1 Compliance with Law**

- 36.1.1 The Supplier shall comply with all applicable Law in connection with the performance of this Framework Agreement.
- 36.1.2 In the event that the Supplier or the Supplier Personnel fails to comply with Clause 36.1.1, this shall be deemed to be a material Default and the Authority reserves the right to terminate this Framework Agreement by giving notice in writing to the Supplier.

#### **36.2 Equality and Diversity**

- 36.2.1 The Supplier shall:
  - (a) perform its obligations under this Framework Agreement (including those in relation to the provision of the Services) in accordance with:
    - (i) all applicable equality Law (whether in relation to race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise); and
    - (ii) any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under applicable equality Law;
  - (b) take all necessary steps, and inform the Authority of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).

### 36.3 **Official Secrets Act and Finance Act**

36.3.1 The Supplier shall comply with the provisions of:

- (a) the Official Secrets Acts 1911 to 1989; and
- (b) section 182 of the Finance Act 1989.

### 37. **ASSIGNMENT AND NOVATION**

37.1 The Supplier shall not assign, novate, or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Framework Agreement or any part of it without Approval.

37.2 The Authority may assign, novate or otherwise dispose of any or all of its rights, liabilities and obligations under this Framework Agreement or any part thereof to:

37.2.1 any Other Contracting Authority; or

37.2.2 any Central Government Body or other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Authority; or

37.2.3 any private sector body which substantially performs the functions of the Authority,

and the Supplier shall, at the Authority's request, enter into a novation agreement in such form as the Authority shall reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 37.2.

37.3 A change in the legal status of the Authority such that it ceases to be a Contracting Authority shall not, subject to Clause 37.4 affect the validity of this Framework Agreement and this Framework Agreement shall be binding on any successor body to the Authority.

37.4 If the Authority assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Framework Agreement to a body which is not a Contracting Authority or if a body which is not a Contracting Authority succeeds the Authority (both "**Transferee**" in the rest of this Clause) the right of termination of the Authority in Clause 33.4 (Termination on Insolvency) shall be available to the Supplier in the event of the insolvency of the Transferee (as if the references to Supplier in Clause 33.4 (Termination on Insolvency)) and to Supplier or Framework Guarantor or Call Off Guarantor in the definition of Insolvency Event were references to the Transferee.

### 38. **WAIVER AND CUMULATIVE REMEDIES**

38.1 The rights and remedies under this Framework Agreement may be waived only by notice in accordance with Clause 46 (Notices) and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Framework Agreement or by Law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise thereof.

38.2 Unless otherwise provided in this Framework Agreement, rights and remedies under this Framework Agreement are cumulative and do not exclude any rights or remedies provided by Law, in equity or otherwise.

### 39. **RELATIONSHIP OF THE PARTIES**

- 39.1 Except as expressly provided otherwise in this Framework Agreement, nothing in this Framework Agreement, nor any actions taken by the Parties pursuant to this Framework Agreement, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

#### **40. PREVENTION OF FRAUD AND BRIBERY**

- 40.1 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Framework Commencement Date:

40.1.1 committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; and/or

40.1.2 been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act.

- 40.2 The Supplier shall not during the Framework Period:

40.2.1 commit a Prohibited Act; and/or

40.2.2 do or suffer anything to be done which would cause the Authority or any of the Authority's employees, consultants, contractors, sub-contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.

- 40.3 The Supplier shall during the Framework Period:

40.3.1 establish, maintain and enforce, and require that its Sub-Contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;

40.3.2 keep appropriate records of its compliance with its obligations under Clause 40.3.1 and make such records available to the Authority on request;

40.3.3 if so required by the Authority, within twenty (20) Working Days of the Framework Commencement Date, and annually thereafter, certify in writing to the Authority, the compliance with this Clause 40.3 of all persons associated with the Supplier or its Sub-Contractors who are responsible for supplying the Services in connection with this Framework Agreement. The Supplier shall provide such supporting evidence of compliance as the Authority may reasonably request; and

40.3.4 have, maintain and where appropriate enforce an anti-bribery policy (which shall be disclosed to the Authority on request) to prevent it and any Supplier Personnel or any person acting on the Supplier's behalf from committing a Prohibited Act.

- 40.4 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of Clause 40.1, or has reason to believe that it has or any of the Supplier Personnel has:
- 40.4.1 been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
  - 40.4.2 been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act; and/or
  - 40.4.3 received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Framework Agreement or otherwise suspects that any person or Party directly or indirectly connected with this Framework Agreement has committed or attempted to commit a Prohibited Act.
- 40.5 If the Supplier makes a notification to the Authority pursuant to Clause 40.4, the Supplier shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit any books, records and/or any other relevant documentation in accordance with Clause 18 (Records, Audit Access and Open Book Data).
- 40.6 If the Supplier breaches Clause 40.1, the Authority may by notice:
- 40.6.1 require the Supplier to remove from the performance of this Framework Agreement any Supplier Personnel whose acts or omissions have caused the Supplier's breach; or
  - 40.6.2 immediately terminate this Framework Agreement for material Default.
- 40.7 Any notice served by the Authority under Clause 40.6 shall specify the nature of the Prohibited Act, the identity of the Party who the Authority believes has committed the Prohibited Act and the action that the Authority has elected to take (including, where relevant, the date on which this Framework Agreement shall terminate).

#### **41. CONFLICTS OF INTEREST**

- 41.1 The Supplier shall take appropriate steps to ensure that neither the Supplier nor the Supplier Personnel are placed in a position where (in the reasonable opinion of the Authority) there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier or the Supplier Personnel and the duties owed to the Authority and Other Contracting Authorities under the provisions of this Framework Agreement or any Call Off Agreement.
- 41.2 The Supplier shall promptly notify and provide full particulars to the Authority or the relevant Other Contracting Authority if such conflict referred to in Clause 41.1 arises or may reasonably be foreseen as arising.
- 41.3 The Authority reserves the right to terminate this Framework Agreement immediately by giving notice in writing to the Supplier and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier and the duties owed to the Authority under the provisions of this Framework Agreement or any Call Off Agreement. The action of the Authority pursuant to this Clause 38 shall not prejudice or affect any right of

action or remedy which shall have accrued or shall thereafter accrue to the Authority.

#### **42. SEVERANCE**

- 42.1 If any provision of this Framework Agreement (or part of any provision) is held to be void or otherwise unenforceable by any court of competent jurisdiction, such provision (or part) shall to the extent necessary to ensure that the remaining provisions of this Framework Agreement are not void or unenforceable be deemed to be deleted and the validity and/or enforceability of the remaining provisions of this Framework Agreement shall not be affected.
- 42.2 In the event that any deemed deletion under Clause 42.1 is so fundamental as to prevent the accomplishment of the purpose of this Framework Agreement or materially alters the balance of risks and rewards in this Framework Agreement, either Party may give notice to the other Party requiring the Parties to commence good faith negotiations to amend this Framework Agreement so that, as amended, it is valid and enforceable, preserves the balance of risks and rewards in this Framework Agreement and, to the extent that is reasonably practicable, achieves the Parties' original commercial intention.
- 42.3 If the Parties are unable to resolve any Dispute arising under this Clause 39 within twenty (20) Working Days of the date of the notice given pursuant to Clause 42.2, this Framework Agreement shall automatically terminate with immediate effect. The costs of termination incurred by the Parties shall lie where they fall if this Framework Agreement is terminated pursuant to this Clause 42.

#### **43. FURTHER ASSURANCES**

- 43.1 Each Party undertakes at the request of the other, and at the cost of the requesting Party to do all acts and execute all documents which may be necessary to give effect to the meaning of this Framework Agreement.

#### **44. ENTIRE AGREEMENT**

- 44.1 This Framework Agreement constitutes the entire agreement between the Parties in respect of the subject matter and supersedes and extinguishes all prior negotiations, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.
- 44.2 Neither Party has been given, nor entered into this Framework Agreement in reliance on, any warranty, statement, promise or representation other than those expressly set out in this Framework Agreement.
- 44.3 Nothing in this Clause 44 shall exclude any liability in respect of misrepresentations made fraudulently.

#### **45. THIRD PARTY RIGHTS**

- 45.1 The provisions of:
- 45.1.1 Clauses: 4 (Scope of Framework Agreement), 5 (Call Off Procedure), 6 (Assistance in Related Procurements), 7 (Representations and Warranties), 8 (Guarantee), 16 (Call Off Performance Under Framework Agreement Performance), 18 (Records, Audit Access and Open Book Data), 27.5 (Protection of Personal Data), 31 (Insurance), 36.2 (Equality and Diversity) and 45 (Third Party Rights); and

45.1.2 Framework Schedules 3 (Framework Prices and Charging Structure ), 5 (Call Off Procedure), 13 (Guarantee), 14 (Insurance Requirements) and 21 (Tender),

(together “**Third Party Provisions**”) confer benefits on persons named in such provisions other than the Parties (each such person a “**Third Party Beneficiary**”) and are intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

- 45.2 Subject to Clause 45.1, a person who is not Party to this Framework Agreement has no right to enforce any term of this Framework Agreement under the CRTPA but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to the CRTPA.
- 45.3 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without Approval, which may, if given, be given on and subject to such terms as the Authority may determine.
- 45.4 Any amendments or modifications to this Framework Agreement may be made, and any rights created under Clause 45.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.
- 45.5 The Authority may act as agent and trustee for each Third Party Beneficiary and/or enforce on behalf of that Third Party Beneficiary any Third Party Provision and/or recover any Loss suffered by that Third Party Beneficiary in connection with a breach of any Third Party Provision.

#### 46. NOTICES

- 46.1 Except as otherwise expressly provided within this Framework Agreement, any notices issued under this Framework Agreement must be in writing. For the purpose of this Clause 46, an e-mail is accepted as being "in writing".
- 46.2 Subject to Clause 46.3, the following table sets out the method by which notices may be served under this Framework Agreement and the respective deemed time and proof of service:

Manner of delivery	Deemed time of delivery	Proof of Service
Email (Subject to Clause 46.3)	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day	Properly addressed and delivered as evidenced by signature of a delivery receipt
Royal Mail Signed For™ 1st Class or other prepaid, next Working Day	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise,	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt

service providing proof of delivery	delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm)	
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46.3 The following notices may only be served as an attachment to an email if the original notice is then sent to the recipient by personal delivery or Royal Mail Signed For™ 1<sup>st</sup> Class or other prepaid in the manner set out in the table in Clause 46.2:

46.3.1 any Termination Notice under Clause 33 (Authority Termination Rights), including in respect of partial termination;

46.3.2 any notice in respect of:

- (a) Suspension of Supplier's appointment (Clause 34)
- (b) Waiver (Clause 38);
- (c) Default or Authority Cause; and

46.3.3 any Dispute Notice.

46.4 Failure to send any original notice by personal delivery or recorded delivery in accordance with Clause 46.3 shall invalidate the service of the related e-mail transmission. The deemed time of delivery of such notice shall be the deemed time of delivery of the original notice sent by personal delivery or Royal Mail Signed For™ 1<sup>st</sup> Class delivery (as set out in the table in Clause 46.2) or, if earlier, the time of response or acknowledgement by the receiving Party to the email attaching the notice.

46.5 This Clause 46 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under Framework Schedule 18 (Dispute Resolution Procedure)).

46.6 For the purposes of this Clause 46, the address of each Party shall be:

46.6.1 For the Authority:

**Crown Commercial Service**

9th Floor  
The Capital  
Old Hall Street  
Liverpool  
L3 9PP

For the attention of: Financial Services Category Team

46.6.2 For the Supplier:

**GPUK LLP trading as Global Payments**

51 De Montfort Street, Leicester, Leicestershire, LE1 7BB  
Leicester  
Leicestershire  
LE1 7BB

For the attention of: [REDACTED]

- 46.7 Either Party may change its address for service by serving a notice in accordance with this Clause 46.
- 46.8 This Clause 46 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under the Dispute Resolution Procedure)

#### **47. COMPLAINTS HANDLING**

- 47.1 Either Party shall notify the other Party of any Complaints made by Other Contracting Authorities, which are not resolved by operation of the Supplier's usual complaints handling procedure within five (5) Working Days of becoming aware of that Complaint and, if the Supplier is the Party providing the notice, such notice shall contain full details of the Supplier's plans to resolve such Complaint.
- 47.2 Without prejudice to any rights and remedies that a complainant may have at Law (including under this Framework Agreement and/or a Call Off Agreement), and without prejudice to any obligation of the Supplier to take remedial action under the provisions of this Framework Agreement and/or a Call Off Agreement, the Supplier shall use its best endeavours to resolve the Complaint within ten (10) Working Days and in so doing, shall deal with the Complaint fully, expeditiously and fairly.
- 47.3 Within two (2) Working Days of a request by the Authority, the Supplier shall provide full details of a Complaint to the Authority, including details of steps taken to achieve its resolution.

#### **48. DISPUTE RESOLUTION**

- 48.1 The Parties shall resolve Disputes arising out of or in connection with this Framework Agreement in accordance with the Dispute Resolution Procedure.
- 48.2 The Supplier shall continue to provide the Services in accordance with the terms of this Framework Agreement until a Dispute has been resolved.

#### **49. GOVERNING LAW AND JURISDICTION**

- 49.1 This Framework Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 49.2 Subject to Clause 48 (Dispute Resolution) and Framework Schedule 18 (Dispute Resolution Procedure) (including the Authority's right to refer the Dispute to arbitration), the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any Dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Framework Agreement or its subject matter or formation.

**IN WITNESS** of which this Framework Agreement has been duly executed by the Parties.

Signed duly authorised for and on behalf of the SUPPLIER

Signature: [REDACTED].....

Name: [REDACTED].....

Position: [REDACTED].....

Date: [REDACTED].....

Signed for and on behalf of the AUTHORITY

Signature: [REDACTED].....

Name: [REDACTED].....

Position: [REDACTED].....

Date: [REDACTED].....

## FRAMEWORK SCHEDULE 1: DEFINITIONS

1. In accordance with Clause 1.1 (Definitions), in this Framework Agreement including its Recitals the following expressions shall have the following meanings:

<b>"Admin Fees"</b>	means the costs incurred by the Authority in dealing with MI Failures calculated in accordance with the tariff of administration charges published by the Authority at the following link: <a href="http://CCS.cabinetoffice.gov.uk/i-am-supplier/management-information/admin-fees">http://CCS.cabinetoffice.gov.uk/i-am-supplier/management-information/admin-fees</a> ;
<b>"Affiliates"</b>	means 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>"Approval"</b>	means the prior written consent of the Authority and <b>"Approve"</b> and <b>"Approved"</b> shall be construed accordingly;
<b>"Audit"</b>	means an audit carried out pursuant to Clause 18 (Records, Audit Access and Open Book Data);
<b>"Audit Report"</b>	means a report summarising the testing completed and the actions arising following an Audit;
<b>"Auditor"</b>	means the Authority, and/or Other Contracting Authority who is a party to a Call Off Agreement, and/or the National Audit Office and/or any auditor appointed by the Audit Commission, and /or the representatives of any of them;
<b>"Authority"</b>	means <b>THE MINISTER FOR THE CABINET OFFICE ("Cabinet Office")</b> as represented by Crown Commercial Service, a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP;
<b>"Authority Cause"</b>	means any breach of the obligations of the Authority (including but not limited to any fundamental breach or breach of a fundamental term) or any other default, act, omission, misrepresentation, negligence or negligent statement of the Authority in connection with or in relation to this Framework Agreement or the subject matter of this Framework Agreement and in respect of which the Authority is liable to the Supplier;
<b>"Authority Personal Data"</b>	means any Personal Data supplied for the purposes of or in connection with this Framework Agreement by the Authority to the Supplier;
<b>"Authority Representative"</b>	means the representative appointed by the Authority from time to time in relation to this Framework Agreement;
<b>"Authority's Confidential Information"</b>	means all Authority Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know How, personnel, and suppliers of the Authority and/or Other Contracting Authorities, including all IPR, together with all information derived from any of the above, and any other information

	clearly designated as being confidential (whether or not it is marked “confidential”) or which ought reasonably to be considered to be confidential;
<b>"Call Off Agreement"</b>	means a legally binding agreement (entered into pursuant to the provisions of this Framework Agreement) for the provision of the Services made between a Contracting Authority and the Supplier pursuant to Framework Schedule 5 (Call Off Procedure);
<b>"Call Off Guarantee"</b>	means a deed of guarantee in favour of a Contracting Authority in the form set out in Framework Schedule 13 (Guarantee) and granted pursuant to Clause 4 of the Template Call Off terms;
<b>"Call Off Guarantor"</b>	means the person acceptable to a Contracting Authority to give a Call Off Guarantee;
<b>"Card Scheme"</b>	means card schemes including, but not limited to, American Express, MasterCard, and Visa;
<b>"Card Scheme Fees"</b>	means a fee paid by the Supplier to the relevant Card Scheme when a transaction is processed via the Services;
<b>"Call Off Procedure"</b>	means the process for awarding a Call Off Agreement pursuant to Clause 5 (Call Off Procedure) and Framework Schedule 5 (Call Off Procedure);
<b>"CEDR"</b>	means the Centre for Effective Dispute Resolution;
<b>"Central Government Body"</b>	means 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>"Change in Law"</b>	means any change in Law which impacts on the supply of the Services and performance of the Template Call Off Terms which comes into force after the Framework Commencement Date;
<b>"Change of Control"</b>	means a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
<b>"Charges"</b>	means the charges raised under or in connection with a Call Off Agreement from time to time, which Charges shall be calculated in a manner which is consistent with the Charging Structure;
<b>"Charging Structure"</b>	means the structure to be used in the establishment of the charging model which is applicable to each Call Off

	Agreement, which structure is set out in Framework Schedule 3 (Framework Prices and Charging Structure);
<b>"Commercially Sensitive Information"</b>	means the Supplier's Confidential Information listed in Framework Schedule 17 (Commercially Sensitive Information) comprised of commercially sensitive information: <ul style="list-style-type: none"> <li>a) relating to the Supplier, its IPR or its business or information which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss; and</li> <li>b) that constitutes a trade secret;</li> </ul>
<b>"Comparable Supply"</b>	means the supply of Services to another customer of the Supplier that are the same or similar to the Services;
<b>"Complaint"</b>	means any formal written complaint raised by a Contracting Authority in relation to the performance of this Framework Agreement or any Call Off Agreement in accordance with Clause 47 (Complaints Handling);
<b>"Confidential Information"</b>	means the Authority's Confidential Information and/or the Supplier's Confidential Information, as the context requires;
<b>"Continuous Improvement Plan"</b>	means a plan for improving the provision of the Services and/or reducing the Charges produced by the Supplier pursuant to Framework Schedule 12 (Continuous Improvement and Benchmarking);
<b>"Contract Year"</b>	means a consecutive period of twelve (12) Months commencing on the Framework Commencement Date or each anniversary thereof;
<b>"Contracting Authorities"</b>	means bodies listed in paragraph VI.3 of the OJEU Notice and " <b>Contracting Authority</b> " shall be construed accordingly;
<b>"Control"</b>	means 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>"Costs"</b>	means the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Services: <ul style="list-style-type: none"> <li>a) the cost to the Supplier or the Key Sub-Contractor (as the context requires), calculated per Man Day, of engaging the Supplier Personnel, including: <ul style="list-style-type: none"> <li>i) base salary paid to the Supplier Personnel;</li> <li>ii) employer's national insurance contributions;</li> <li>iii) pension contributions;</li> <li>iv) car allowances;</li> <li>v) any other contractual employment benefits;</li> </ul> </li> </ul>

- vi) staff training;
  - vii) work place accommodation;
  - viii) work place IT equipment and tools reasonably necessary to provide the Services (but not including items included within limb (b) below); and
  - ix) reasonable recruitment costs, as agreed with the Contracting Authorities under any Call Off Agreements;
- b) costs incurred in respect of those Supplier Assets which are detailed on the Registers (“Supplier Assets” and “Register” shall have the meaning given to them under Call Off Schedule 1 (Definitions)) 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 Supplier Assets by the Supplier to the Contracting Authorities or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets;
- 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 provision of the Services;

but excluding:

- i) Overhead;
- ii) financing or similar costs;
- iii) maintenance and support costs to the extent that these relate to maintenance and/or support services provided beyond the Framework Period and term of any Call Off Agreements whether in relation to Supplier Assets or otherwise;
- iv) taxation;
- v) fines and penalties;
- vi) amounts payable under the benchmarking provisions of Framework Schedule 12 (Continuous Improvement and Benchmarking); and
- vii) non-cash items (including depreciation, amortisation, impairments and movements in provisions);

**"Crown Body"**

means any department, office or executive agency of the Crown;

**"CRTPA"**

means the Contracts (Rights of Third Parties) Act 1999;

<b>“Cyber Essentials Scheme Certificate”</b>	means one of the two levels of certification which are available under the Cyber Essentials Scheme and <b>Cyber Essentials Scheme Certification</b> will be interpreted accordingly;
<b>“Cyber Essentials”</b>	means the certification awarded on the basis of self assessment under the Cyber Essentials Scheme and is the basic level of assurance;
<b>“Cyber Essentials Data”</b>	means sensitive and personal information and other relevant information as referred to in the Cyber Essentials Scheme;
<b>“Cyber Essentials Plus”</b>	means one of the two levels of certification which are available under the Cyber Essentials Scheme. Cyber Essentials Plus offers a higher level of assurance than Cyber Essentials by making use of external testing of the organisation’s cyber security approach.
<b>“Cyber Essentials Scheme”</b>	means the Cyber Essentials Scheme developed by the Government which provides a clear statement of the basic controls all organisations should implement to mitigate the risk from common internet based threats. Details of the Cyber Essentials scheme can be found here:  <a href="https://www.gov.uk/government/publications/cyber-essentials-scheme-overview">https://www.gov.uk/government/publications/cyber-essentials-scheme-overview</a> ;
<b>"Data Controller"</b>	has the meaning given to it in the Data Protection Act 1998, as amended from time to time;
<b>"Data Processor"</b>	has the meaning given to it in the Data Protection Act 1998, as amended from time to time;
<b>"Data Protection Legislation"</b>	means the Data Protection Act 1998, as amended from time to time and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
<b>"Data Subject"</b>	has the meaning given to it in the Data Protection Act 1998, as amended from time to time;
<b>"Data Subject Access Request"</b>	means a request made by a Data Subject in accordance with rights granted pursuant to the DPA to access his or her Personal Data;
<b>"Default"</b>	means any breach of the obligations of the Supplier (including but not limited to any fundamental breach or breach of a fundamental term) or any other default, act, omission, misrepresentation, negligence or negligent statement of the Supplier or the Supplier Personnel in connection with or in relation to this Framework Agreement or the subject matter of this Framework Agreement and in respect of which the Supplier is liable to the Authority;

<b>"Default Management Charge"</b>	has the meaning given to it in paragraph 6.2 of Framework Schedule 9 (Management Information);
<b>"Direct Award Criteria"</b>	means the award criteria to be applied for the direct award of Call Off Agreements for Services set out in Part A of Framework Schedule 6 (Award Criteria);
<b>"Dispute"</b>	means any dispute, difference or question of interpretation arising out of or in connection with this Framework Agreement, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the procedure for variations in Clause 16.1(Variation Procedure) or any matter where this Framework Agreement directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
<b>"Dispute Notice"</b>	means a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
<b>"Dispute Resolution Procedure"</b>	means the dispute resolution procedure set out in Framework Schedule 18 (Dispute Resolution);
<b>"DOTAS"</b>	means 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 by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;
<b>"DPA"</b>	means the Data Protection Act 1998 as amended from time to time;
<b>"Due Diligence Information"</b>	means any information supplied to the Supplier by or on behalf of the Customer prior to the Framework Commencement Date;
<b>"Environmental Information Regulations or EIRs"</b>	means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations;
<b>"Equivalent Services"</b>	means services which the Supplier can supply which are the same or similar to the Services;
<b>"FOIA"</b>	means the Freedom of Information Act 2000 as amended from time to time 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>"Framework"</b>	means the framework arrangements established by the Authority for the provision of the Services to Contracting Authorities by suppliers (including the Supplier) pursuant to the OJEU Notice;
<b>"Framework Agreement"</b>	means this agreement consisting of the Clauses together with the Framework Schedules and any appendices and annexes to the same;
<b>"Framework Commencement Date"</b>	means 01/03/2016;
<b>"Framework Period"</b>	means the period from the Framework Commencement Date until the expiry or earlier termination of this Framework Agreement;
<b>"Framework Price(s)"</b>	means the price(s) applicable to the provision of the Services set out in Framework Schedule 3 (Framework Prices and Charging Structure);
<b>"Framework Schedules"</b>	means the schedules to this Framework Agreement;
<b>"Framework Suppliers"</b>	means the suppliers (including the Supplier) appointed under this Framework Agreement or agreements on the same or similar terms to this Framework Agreement as part of the Framework;
<b>"Fraud"</b>	means any offence under Laws creating offences in respect of fraudulent acts (including the Misrepresentation Act 1967) or at common law in respect of fraudulent acts including acts of forgery;
<b>"Further Competition Award Criteria"</b>	means the award criteria set out in Part B of Framework Schedule 6 (Award Criteria);
<b>"Further Competition Procedure"</b>	means the further competition procedure described in paragraph 3 of Framework Schedule 5 (Call Off Procedure);
<b>"General Anti-Abuse Rule"</b>	means (a) the legislation in Part 5 of the Finance Act 2013; and (b) 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>	means 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>"Good Industry Practice"</b>	means 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>"Services Requirements"</b>	means the requirements of the Authority or any other Contracting Authority (as appropriate) for the Services from time to time;
<b>"Government"</b>	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive 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>"Halifax Abuse Principle"</b>	means the principle explained in the CJEU Case C-255/02 Halifax and others;
<b>"Holding Company"</b>	has the meaning given to it in section 1159 of the Companies Act 2006;
<b>"Improvement Plan"</b>	means the plan required by the Authority from the Supplier which shall detail how the Supplier will improve the provision of the Services pursuant to Clause 32.1.1 (Authority Remedies);
<b>"Improvement Notice"</b>	means the notice issued by the Authority to the Supplier pursuant to Clause 32.1.3 (Authority Remedies) which will detail how the Supplier shall improve the provision of the Services;
<b>"Initial Framework Period"</b>	means the period from the Framework Commencement Date until its second anniversary;
<b>"Information"</b>	has the meaning given under section 84 of the Freedom of Information Act 2000 as amended from time to time;
<b>"Insolvency Event"</b>	means, in respect of the Supplier or Framework Guarantor (as applicable): <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 convened pursuant to section 98 of the Insolvency Act 1986; or</li> <li>d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or</li> </ul>

- 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
- f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or
- 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
- h) where the Supplier or Framework Guarantor 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
- i) any event analogous to those listed in limbs (a) to (h) (inclusive) occurs under the law of any other jurisdiction;

**"Intellectual Property Rights" or "IPR"**

means:

- 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 names, designs, Know-How, trade secrets and other rights in Confidential Information;
- 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
- c) all other rights having equivalent or similar effect in any country or jurisdiction;

**"Interchange Fee"**

means a fee paid by the Supplier to the relevant issuing bank when a transaction is processed via the Services;

**"Interchange Fee And / Or Card Scheme Fees Change"**

means a change in the Interchange Fee and/or a change in the Card Scheme Fees;

**"Invitation to Tender" or "ITT"**

has the meaning given to it in Recital C to this Framework Agreement;

**"Key Sub-Contract"**

means each Sub-Contract with a Key Sub-Contractor;

**"Key Sub-Contractors"**

means any Sub-Contractor which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services;

**"IPR Claim"**

means any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR used to provide the Services or as

otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Authority in the fulfilment of its obligations under this Framework Agreement;

**"Key Performance Indicators" or "KPIs"**

means the performance measurements and targets set out in Part B of Framework Schedule 2 (Services and Key Performance Indicators);

**"Know-How"**

means all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Services but excluding know-how already in the other Party's possession before the Framework Commencement Date;

**"KPI Target"**

means the acceptable performance level for a KPI as set out in relation to each KPI;

**"Law"**

means 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;

**"Legacy Services"**

means services similar to the New Services and/or services which interface with or are intended to interface with or be replaced by the New Services;

**"Losses"**

means 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;

**"Lot"**

means any of the **3** lots specified in Framework Schedule 2 (Services and Key Performance Indicators) and "Lots" shall be construed accordingly;

**"Management Charge"**

means the sum payable by the Supplier to the Authority being an amount equal to 1.5 per cent (1.5%) of all Charges for the Services invoiced to the Contracting Authorities by the Supplier (net of VAT) minus any Interchange Fee and Card Scheme Fees (net of VAT) in each Month throughout the Framework Period and thereafter until the expiry or earlier termination of all Call Off Agreements entered pursuant to this Framework Agreement.

For example, if the Contracting Authorities are invoiced £100,000 in a specific month and £97,000 of this amount is Interchange Fees and Card Scheme Fees, the Management Charge would be calculated as follows:

$$£100,000 - £97,000 = £3000$$

1.5% of £3000 = £450

Management Charge in this example = £450;

<b>"Management Information" or "MI"</b>	means the management information specified in Framework Schedule 9 (Management Information);
<b>"MI Default"</b>	has the meaning given to it in paragraph 6.1 of Framework Schedule 9 (Management Information);
<b>"MI Failure"</b>	means when an MI Report: <ul style="list-style-type: none"><li>a) contains any material errors or material omissions or a missing mandatory field; or</li><li>b) is submitted using an incorrect MI Reporting Template; or</li><li>c) is not submitted by the reporting date(including where a Nil Return should have been filed);</li></ul>
<b>"Minimum Self-Insurance Threshold"</b>	means a turnover by the Supplier or the Framework Guarantor, as applicable, of £3.7 billion in any twelve month period;
<b>"MI Report"</b>	means a report containing Management Information submitted to the Authority in accordance with Framework Schedule 9 (Management Information);
<b>"MI Reporting Template"</b>	means the form of report set out in Annex 1 to Framework Schedule 9 (Management Information) setting out the information the Supplier is required to supply to the Authority;
<b>"Ministry of Justice Code"</b>	means the Ministry of Justice's Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000 as amended from time to time;
<b>"MISO"</b>	means 'Management Information System Online'. An online portal located at <a href="https://miso.buyingsolutions.gov.uk">https://miso.buyingsolutions.gov.uk</a> provided by the Authority for collection and receipt of Management Information;
<b>"Month"</b>	means a calendar month and <b>"Monthly"</b> shall be interpreted accordingly;
<b>"New Services"</b>	means services which a Contracting Authority wishes to procure from a third party which are the same or similar to the Services;
<b>"Nil Return"</b>	has the meaning given to it in paragraph 3.3 of Framework Schedule 9 (Management Information);
<b>"Occasion of Tax Non –Compliance"</b>	means where: <ul style="list-style-type: none"><li>a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which is</li></ul>

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 Framework Commencement Date or to a civil penalty for fraud or evasion;

**"OJEU Notice"**

has the meaning given to it in Recital A to this Framework Agreement;

**"Open Book Data"**

means complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the Charges already paid or payable and Charges forecast to be paid during the Framework Period and term of any Call Off Agreements, including details and all assumptions relating to:

- 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 Services;
- b) operating expenditure relating to the provision of the Services including an analysis showing:
  - i) the unit costs and quantity of any consumables and bought-in services;
  - ii) manpower resources broken down into the number and grade/role of all Supplier Personnel (free of any contingency) together with a list of agreed rates against each manpower grade; and
  - iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier Profit Margin;
- c) Overheads;
- d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;

- e) the Supplier Profit achieved over the Framework Period and term of any Call Off Agreements and on an annual basis;
- 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;
- 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
- h) the actual Costs profile for each Service Period under any Call Off Agreements;

**"Order"** means an order for the provision of the Services placed by a Contracting Authority with the Supplier under a Call Off Agreement;

**"Other Contracting Authorities"** means all Contracting Authorities except the Authority and **"Other Contracting Authority"** shall be construed accordingly;

**"Overhead"** means 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 Personnel and accordingly included within limb (a) of the definition of "Costs";

**"Party"** means the Authority or the Supplier and **"Parties"** shall mean both of them;

**"Personal Data"** has the meaning given to it in the Data Protection Act 1998 as amended from time to time;

**"Processing"** has the meaning given to it in the Data Protection Legislation but, for the purposes of this Framework Agreement, it shall include both manual and automatic processing and **"Process"** and **"Processed"** shall be interpreted accordingly;

**"Prohibited Act"** means:

- a) to directly or indirectly offer, promise or give any person working for or engaged by a Contracting Authority and/or the Authority a financial or other advantage to:
  - i) induce that person to perform improperly a relevant function or activity; or
  - ii) reward that person for improper performance of a relevant function or activity;

- b) or
- c) committing any offence:
  - i) under the Bribery Act 2010; or
  - ii) under legislation creating offences concerning Fraud; or
  - iii) at common law concerning Fraud; or
  - iv) committing (or attempting or conspiring to commit) Fraud;

<b>"Regulations"</b>	means the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2012 (as the context requires) as amended from time to time;
<b>"Relevant Person"</b>	means any employee, agent, servant, or representative of the Authority, or of any Other Contracting Authority or other public body;
<b>"Relevant Requirements"</b>	means all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
<b>"Relevant Tax Authority"</b>	means HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
<b>"Relevant Supplier"</b>	means a third party bidding to provide New Services;
<b>"Replacement Services"</b>	means any services which are substantially similar to any of the Services and which are received in substitution for the Services following the expiry or termination of this Framework Agreement;
<b>"Replacement Supplier"</b>	means any third party provider of Replacement Services appointed by or at the direction of the Authority from time to time;
<b>"Reporting Date"</b>	means the 7th day of each Month following the Month to which the relevant Management Information relates, or such other date as may be agreed between the Parties;
<b>"Requests for Information"</b>	means a request for information relating to this Framework Agreement or the provision of the Services or an apparent request for such information under the Code of Practice on Access to Government Information, FOIA or the EIRs;
<b>"Restricted Countries"</b>	shall have the meaning given to it in Clause 27.5.3 (Protection of Personal Data);
<b>"Self Audit Certificate"</b>	means the certificate in the form as set out in Framework Schedule 10 (Annual Self Audit Certificate) to be provided to the Authority in accordance with Clause 18 (Records, Audit Access and Open Book Data);
<b>"Service Period"</b>	has the meaning given to it in Framework Schedule 4 (Template Order Form and Template Call Off Terms) as

	refined by a Contracting Authority in a Call Off Agreement between that Contracting Authority and the Supplier;
<b>"Services"</b>	means the services described in Framework Schedule 2 (Services and Key Performance Indicators) which the Supplier shall make available to Contracting Authorities;
<b>"Specific Change in Law"</b>	means a Change in Law that relates specifically to the business of the Authority and which would not affect a Comparable Supply;
<b>"Standards"</b>	means: <ul style="list-style-type: none"> <li>a) any 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;</li> <li>b) any standards detailed in the specification in Framework Schedule 2 (Services and Key Performance Indicators);</li> <li>c) any standards detailed by the Contracting Authority in the Call Off Agreement following a Further Competition Procedure or agreed between the Parties from time to time;</li> <li>d) any relevant Government codes of practice and guidance applicable from time to time.</li> </ul>
<b>"Statement of Requirements"</b>	means a statement issued by the Authority or any Other Contracting Authority detailing its Services Requirements issued in accordance with the Call Off Procedure;
<b>"Sub-Contract"</b>	means any contract or agreement (or proposed contract or agreement), other than this Framework Agreement or a Call Off Agreement, pursuant to which a third party: <ul style="list-style-type: none"> <li>a) provides the Services (or any part of them);</li> <li>b) provides facilities or services necessary for the provision of the Services (or any part of them); and/or</li> <li>c) is responsible for the management, direction or control of the provision of the Services (or any part of them);</li> </ul>
<b>"Sub-Contractor"</b>	means any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
<b>"Supplier"</b>	means the person, firm or company stated in the preamble to this Framework Agreement;
<b>"Supplier Action Plan"</b>	means a document, maintained by the Authority, capturing information about the relationship between the Parties including, but not limited to strategic objectives, actions,

	initiatives, communication channels, risks and supplier performance;
<b>"Supplier Agreement"</b>	means the agreement a Contracting Authority is required to agree with the Supplier which sets out the terms of business for being a merchant with that Supplier;
<b>"Supplier Personnel"</b>	means all persons employed or engaged by the Supplier together with the Supplier's servants, agents, suppliers, consultants and Sub-Contractors (and all persons employed by any Sub-Contractor together with the Sub-Contractor's servants, consultants, agents, suppliers and sub-contractors) used in the performance of its obligations under this Framework Agreement or any Call Off Agreements;
<b>"Supplier Profit"</b>	means, in relation to a period, the difference between the total Charges (in nominal cash flow terms but excluding any Deductions (as defined in Call Off Schedule 1 (Definitions)) and total Costs (in nominal cash flow terms) in respect of any Call Off Agreements for the relevant period;
<b>"Supplier Profit Margin"</b>	means, in relation to a period, the Supplier Profit for the relevant period divided by the total Charges over the same period in respect of any Call Off Agreements and expressed as a percentage;
<b>"Supplier Representative"</b>	means the representative appointed by the Supplier from time to time in relation to this Framework Agreement;
<b>"Supplier's 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 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 "confidential") or which ought reasonably to be considered to be confidential;
<b>"Template Call Off Terms"</b>	means the template terms and conditions in Annex 2 to Framework Schedule 4 (Template Order Form and Template Call Off terms);
<b>"Template Order Form"</b>	means the template form in Annex 1 to Framework Schedule 4 (Template Order Form and Template Call Off terms);
<b>"Tender"</b>	means the tender submitted by the Supplier to the Authority on 23/11/2015 a copy of which is set out in Framework Schedule 21 (Tender);
<b>"Termination Notice"</b>	means 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 this Agreement on a specified date and setting out the grounds for termination;
<b>"TUPE"</b>	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended

or replaced or any other regulations or UK legislation implementing the Acquired Rights Directive;

- "Variation"** has the meaning given to it in Clause 19.1.1 (Variation Procedure);
- "Variation Form"** means the form that will be completed and signed by the Parties to effect a Variation which shall be in the form set out in Framework Schedule 19 (Variation Form);
- "Variation Procedure"** means the procedure for carrying out a Variation as set out in Clause 19.1 (Variation Procedure);
- "VAT"** means value added tax in accordance with the provisions of the Value Added Tax Act 1994;
- "Working Days"** means any day other than a Saturday, Sunday or public holiday in England and Wales.

## FRAMEWORK SCHEDULE 2: SERVICES AND KEY PERFORMANCE INDICATORS

### PART A – SERVICES

#### SECTION 1: DEFINITIONS

<b>3D SECURE</b>	the three-domain secure protocol fraud prevention tool with specifications to ensure industry consistent functionality; specifically designed to be an additional security layer to reduce fraudulent transactions for online credit and debit card transactions to improve the security of internet payments by the card schemes; "Verified by Visa", "MasterCard SecureCode", "J/Secure", "American Express SafeKey".
<b>ACCEPTANCE THRESHOLDS</b>	a defined acceptance level or amount
<b>ALTERNATIVE PAYMENT METHOD</b>	<u>payment</u> methods that are used as an alternative to <u>credit and debit card</u> payments. Most alternative payment methods address a domestic economy or have been specifically developed for <u>electronic commerce</u> and the payment systems are generally supported and operated by local banks. Each alternative payment method has its own unique application and settlement process, language and currency support, and is subject to domestic rules and regulations.
<b>BLUETOOTH TERMINAL</b>	uses bluetooth technology for wherever a PDQ terminal is taken to a paying customer to carry out a transaction (e.g. cafés, restaurants, bars)
<b>CARD SCHEMES</b>	card schemes including, but not limited to American Express, Visa, MasterCard, JCB
<b>CARDHOLDER NOT PRESENT</b>	where a card or the cardholder is not physically present at the merchant at the time of the Transaction and includes electronic commerce Transactions, internet Transactions, and Mail Order/Telephone Order (MOTO) Transactions
<b>CARDHOLDER PRESENT</b>	a Transaction where a payment card is physically presented to the merchant by the cardholder as the form of payment at the time of a sale;
<b>CHARGEBACK</b>	a demand by an issuer or a Card Scheme to be repaid a sum of money paid by the merchant acquirer in respect of a Transaction which has been previously subject to Settlement and for which the merchant acquirer has been paid by the relevant Card Scheme

<b>CHIP AND PIN</b>	an electronic device in a payment card which enables the payment card to communicate the cardholder's details to a Chip and Pin terminal
<b>CID (COMPANY IDENTIFICATION NUMBER)</b>	Company Identification Number, used to identify the merchant's overall account
<b>CONTACTLESS</b>	Contactless credit cards, debit cards, key fobs, smartcards or other devices that use radio-frequency identification for making secure payments. The embedded chip and antenna enable consumers to wave their card or fob over a reader at the point of sale
<b>CUSTOMER ACTIVATED TERMINAL (CAT)</b>	an unattended point of sale system (e.g. a 'pay at pump' fuel dispenser, a vending machine, car parking machine, ticket machine).
<b>CVV (CARD VERIFICATION VALUE)/CVV2/CVC2(CARD VERIFICATION CODE)/CID (CARDMEMBER ID)</b>	the three digit security code printed on the reverse of the payment card (or four digit security code printed on the front of the payment card) intended to enhance the authentication of the payment card. Discover card calls this the "cardmember ID".
<b>DYNAMIC CURRENCY CONVERSION</b>	to enable Transactions to be issued in the currency of the country where the payment card was issued to enable payment to be made for items and/or services)
<b>FOREIGN CURRENCY</b>	the currency of a country other than GBP sterling
<b>GPRS (GENERAL PACKET RADIO SERVICE)</b>	is a packet oriented mobile data service on the 2G and 3G cellular communication system's global system for mobile communications.
<b>GROSS</b>	without tax or other contributions having been deducted
<b>HYPertext TRANSFER PROTOCOL SECURE (HTTPS)</b>	a <u>communications protocol</u> for <u>secure</u> communication over a <u>computer network</u> ,
<b>INTEGRATED VOICE RECOGNITION (IVR)</b>	technology that enables payments to be taken automatically or with manual intervention from Payers using a telephone
<b>INTERNATIONAL CARD</b>	a payment card issued in a country other than GB
<b>MAIL ORDER/TELEPHONE ORDER TRANSACTION (MOTO)</b>	Transaction arising from an order for items and/or services made over the telephone or mail where the payment card or the cardholder is not physically present at the time of the Transaction.

<b>MERCHANT ACQUIRING EQUIPMENT</b>	physical payment terminals, telephone order facilities and internet solutions to enable the card payment data to reach the merchant acquirer.
<b>MERCHANT ACQUIRING SERVICES</b>	the settlement services allowing the funds to pass from the end users (Payer) card account into a Contracting Authority's bank account for payment of items and services.
<b>MOBILE TERMINAL</b>	a mobile terminal which uses a SIM card and GPRS to allow payments away from the Contracting Authority's premises
<b>NETTING OFF</b>	cancelling out the debits and credits and remaining with one balance on related accounts
<b>PAYER</b>	an individual, company or organisation to whom a credit or debit card has been issued or has set-up an Alternative Payment Method account and who is authorised to use that payment card or Alternative Payment Method
<b>PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI-DSS)</b>	a set of comprehensive requirements to minimise the potential for payment card and cardholder data to be compromised and used fraudulently, released from time to time by the Payments Council Industry
<b>PAYMENT GATEWAY</b>	the service to facilitate online acceptance of payment cards and Alternative Payment Methods
<b>PAYMENT GATEWAY SERVICES</b>	the provision of a platform, related software (and documentation) that provides an interface for transmission of Transaction Data from the Payer to the relevant merchant acquirer and the transmission of response and related data from the merchant acquirer to the Contracting Authority in connection with the use of Merchant Acquiring Services, support services and any other ancillary/value added services
<b>PAYMENT SERVICES REGULATIONS (PSR)</b>	the Payment Services Regulations 2009 (SI 2009/209) as amended from time to time.
<b>PDQ (PROCESS DATA QUICKLY) TERMINAL</b>	a counter top machine that is used to process credit card and debit card transactions for use in point of sale transactions and uses a telephone or broadband connection
<b>PIN</b>	personal identification number. This is the secret number used by cardholders with chip cards to authorise Transactions to be debited to their account instead of the cardholders signature
<b>POINT OF SALE (POS) / MOBILE POINT OF SALE (MPOS) TERMINALS</b>	an electronic device used to capture card details, for obtaining authorisations and submitting Transactions to a merchant acquirer; the term also includes any PIN entry device (PED) if it is a separate device; enabling the Contracting Authorities to insert, swipe, or manually enter the required credit or debit card information, to transmit this data to the Merchant Acquiring

	Services provider for authorisation and finally to transfer funds to the merchant. This device also transmits data over a standard telephone line or an Internet connection (either wired or wireless).
<b>PORTABLE TERMINAL</b>	uses bluetooth technology for wherever a PDQ terminal is taken to the customer to carry out a transaction (e.g. cafés, restaurants, bars)
<b>RECURRING TRANSACTION</b>	a Transaction which the Payer has agreed can be debited to their account at agreed intervals or on agreed dates. The Transaction can be for a specific amount or for an amount due to the Contracting Authorities for an ongoing service or provision of items.
<b>REFUND</b>	where a Contracting Authority agrees to make a refund to the Payer's card of the whole or part of any sum authorised by a Payer to be debited to their account
<b>REMOTE WIRELESS TERMINAL</b>	Remote wireless terminals can transmit card data using either cellular or satellite networks
<b>SALES VOUCHER</b>	vouchers to be used with a Contracting Authorities manual imprinter
<b>SCHEME RULES (CARD SCHEME RULES)</b>	the rules and operating instructions issued by particular Card Schemes from time to time
<b>SETTLEMENT</b>	payment of amounts to be reimbursed by the Supplier to the Contracting Authorities or by the Contracting Authorities to the Supplier
<b>SOFTWARE</b>	all protocols, software components and other interfaces and software relating to the Payment Gateway Services provided by the Supplier or accessed by the Contracting Authorities and all updates;
<b>STATEMENT</b>	regular advice provided to the Contracting Authorities advising of the Transactions processed by the Supplier and the charges due to the Supplier
<b>SUPPLIER AGREEMENT</b>	means the agreement a Contracting Authority is required to agree with the Supplier which sets out the terms of business for being a merchant with that Supplier
<b>TILL ROLLS</b>	paper rolls for use in cash registers and Point of Sale printers
<b>TRANSACTION</b>	an act between the Payer and the Contracting Authority regarding the purchase or return of items and/or services where the Payer uses its card or an Alternative Payment Method to pay for items and/or services that results in the generation of a

	Transaction record for the provision of items and/or services and/or Refunds
<b>TRANSACTION DATA</b>	all data relating to Transactions; information derived from the card (e.g. the account number), the Terminal (e.g. the merchant number), the Transaction (e.g. the amount), together with other data which may be generated dynamically or added by intervening systems
<b>UNATTENDED TERMINAL</b>	an unattended Point Of Sale system (e.g. a 'pay at pump' fuel dispenser, a vending machine, car parking machine, ticket machine)
<b>VIRTUAL TERMINAL</b>	enables a computer, smartphone or tablet to be turned into a POS/MPOS Terminal and process payments over the phone or by mail order
<b>WATCH LIST</b>	data in the form of lists of individuals, groups, organisations, assets, or items, that are subject to sanctions or are known, or suspected, to be related to criminal activity such as, for example, fraud or money laundering
<b>WIRELESS TERMINAL</b>	POS/MPOS Terminal that allows wireless processing

## SECTION 2:

### 1. INTRODUCTION

- 1.1 The purpose of this Part A of Framework Schedule 2 (Services and Key Performance Indicators) is to lay down the characteristics of the Services that the Supplier will be required to make available to all Contracting Authorities under this Framework Agreement (including, if applicable, in each Lot) together with any specific Standards applicable to the Services.
- 1.2 The Services and any Standards set out below in this Part A of Framework Schedule 2 may be refined (to the extent permitted and set out in Framework Schedule 5 (Call Off Procedure)) by a Contracting Authority during a Further Competition Procedure to reflect its Services Requirements for entering a particular Call Off Agreement.
- 1.3 Crown Commercial Service (the Authority) is seeking to establish a Framework Agreement for the supply of Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services to the UK public sector.
  - 1.3.1 Merchant Acquiring Services is the name given to the service which allows an organisation to accept payments by debit card, credit card and alternative payment methods and transmit this data to the Merchant Acquirer for authorisation and to check availability of funds to then transfer these payments to the Merchant (Contracting Authority).
    - 1.1.1. Merchant Acquiring Equipment is the name given to the equipment to capture debit card and credit card information and transmit this data to the Merchant Acquirer for authorisation.
    - 1.1.2. Payment Gateway Services is the name given to the service which enables an organisation to accept payments by debit card, credit card and alternative payment methods such as e-wallets for the payment of items and services and transmit this data to the Merchant Acquirer for authorisation.

### 2. LOT DESCRIPTIONS

- 2.1 The Framework Agreement has 3 Lots:
- 2.2 **Lot 1 – Merchant Acquiring Services and Merchant Acquiring Equipment:** A multi-Supplier Lot across all UK public sector bodies to provide services including:
  - 2.2.1 Merchant Acquiring Services – the provision of the settlement service allowing the funds to pass from the end users (payer) card account into a Contracting Authority's bank account for payment of items and services quickly and securely in line with UK market transaction offerings in other sectors.
  - 2.2.2 Merchant Acquiring Equipment - the provision of physical payment terminals, telephone order facilities and internet solutions to enable the card payment data to reach the merchant acquirer.

- 2.3 **Lot 2 – Merchant Acquiring Services and Payment Gateway Services:** A multi-Supplier Lot across all UK public sector bodies to provide services including:
- 2.3.1 Merchant Acquiring Services – the provision of the settlement service allowing the funds to pass from the end users (payer) card account into a Contracting Authority’s bank account for payment of items and services quickly and securely in line with UK market transaction offerings in other sectors.
  - 2.3.2 Payment Gateway Services - the provision of Payment Gateway services to facilitate online acceptance of debit and credit cards, e-wallets and alternative payment solutions.
- 2.4 **Lot 3 – Merchant Acquiring Services, Merchant Acquiring Equipment, and Payment Gateway Services:** A multi-Supplier Lot across all UK public sector bodies to provide services including:
- 2.4.1 Merchant Acquiring Services – the provision of the settlement service allowing the funds to pass from the end users (payer) card account into a Contracting Authority’s bank account for payment of items and services quickly and securely in line with UK market transaction offerings in other sectors.
  - 2.4.2 Merchant Acquiring Equipment - the provision of physical payment terminals, telephone order facilities and internet solutions to enable the card payment data to reach the merchant acquirer.
  - 2.4.3 Payment Gateway Services - the provision of Payment Gateway services to facilitate online acceptance of debit and credit cards, e-wallets and alternative payment solutions.

### 3. CYBER ESSENTIALS

- 3.1 Prior to the execution of the first Call-Off Contract, the Supplier shall provide the Authority with evidence that it has a Cyber Essentials Scheme Certificate or equivalent.
- 3.2 Details about the Cyber Essentials Scheme can be accessed via the following link:  
<https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>

## **SECTION 3:**

### **LOT 1 MERCHANT ACQUIRING SERVICES AND MERCHANT ACQUIRING EQUIPMENT**

This section 3 sets out the Services Requirements that Suppliers shall be required to fulfil when providing Services to Contracting Authorities using Lot 1 of this Framework Agreement.

#### **1. CORE SERVICES**

- 1.1 The Supplier is required to provide Merchant Acquiring Services and Merchant Acquiring Equipment to all Contracting Authorities, including Point Of Sale (POS), Mobile Point of Sale (MPOS), Virtual Terminals, Integrated Voice Recognition for call centres, to facilitate the receipt, transfer and accounting of incoming domestic and foreign payment streams where current UK sanctions permit, from the Payer, from traditional, new and existing payment cards and Alternative Payment Methods, to Contracting Authorities to facilitate Cardholder Present and Cardholder Not Present Transactions.
- 1.2 Where Contracting Authorities have their own payment gateway services, the Supplier shall work with the Contracting Authorities and the Contracting Authorities third party payment gateway services provider to collect and process payment data for transmission to the Merchant Acquiring Services and ensure that all payments are processed and any issues are resolved in accordance with the Authority's KPI's and the Contracting Authorities Service Levels.
- 1.3 Where Contracting Authorities have multiple agreements for Merchant Acquiring Services, the Supplier shall ensure they work with the Contracting Authorities and the Contracting Authorities' merchant acquirers to ensure that all payments are processed and any issues are resolved in accordance with the Authority's KPI's and the Contracting Authorities' Service Levels.
- 1.4 The Supplier shall ensure that the following payment cards and Alternative Payment Methods can be accepted for the Merchant Acquiring Services, including, but not limited to:
  - 1.4.1 Visa Debit (UK and international cards);
  - 1.4.2 Visa Credit (UK and international cards);
  - 1.4.3 Visa Electron;
  - 1.4.4 Visa Business Debit;
  - 1.4.5 Visa UK Chargecard;
  - 1.4.6 MasterCard Debit (UK and international cards);
  - 1.4.7 MasterCard Credit (UK and international cards);
  - 1.4.8 Maestro/Switch;
  - 1.4.9 International Maestro;
  - 1.4.10 Commercial Debit cards;
  - 1.4.11 Commercial Credit cards;
  - 1.4.12 American Express;
  - 1.4.13 Diners Club International;
  - 1.4.14 Discover;
  - 1.4.15 JCB;
  - 1.4.16 Fuel Card (UK and international);
  - 1.4.17 Multi-function Cards;
  - 1.4.18 PayPal;

- 1.4.19 China Union Pay;
- 1.4.20 AliPay;
- 1.4.21 Skrill;
- 1.4.22 PAGA;
- 1.4.23 WebMoney;
- 1.4.24 Cash U;
- 1.4.25 V.me;
- 1.4.26 iDeal;
- 1.4.27 EFTPOS;
- 1.4.28 Neteller;
- 1.4.29 M-PESA;
- 1.4.30 M-PAISA;
- 1.4.31 Ukash;
- 1.4.32 Klarna;
- 1.4.33 GiroPay;
- 1.4.34 Konbini;
- 1.4.35 Sofort;
- 1.4.36 Yandex Money;
- 1.4.37 Paysafecard;
- 1.4.38 TenPay;
- 1.4.39 Wirecard.

- 1.5 The Supplier shall ensure that the Contracting Authorities receive uninterrupted Merchant Acquiring Services and shall ensure that the Merchant Acquiring Services and Merchant Acquiring Equipment are available 24 hours a day / 7 days a week/ 365(6) days year.
- 1.6 The Supplier shall work with the Contracting Authorities to agree their implementation plan to transition to the Merchant Acquiring Services and Merchant Acquiring Equipment, including providing support for migrating any existing recurring payments received by the Contracting Authorities' existing merchant acquiring services, merchant acquiring equipment and payment gateway services.
- 1.7 The Supplier shall have sufficient capacity to ensure that the Contracting Authorities' transaction volumes are catered for without any adverse impact to the Merchant Acquiring Services provided to the Contracting Authorities and their Payers.
- 1.8 The Supplier shall provide, maintain and update all of the hardware and software required to facilitate the acceptance of payments required by the Contracting Authorities.
- 1.9 The Supplier shall ensure the Merchant Acquiring Services and Merchant Acquiring Equipment provided to the Contracting Authorities comply with the current version of the Payment Cards Industry Data Security Standard (PCI-DSS).

- 1.10 Upon the commencement of the Framework Agreement, and on an annual basis (as a minimum), and following any major system change, the Supplier shall provide the following information assurance evidence to the Authority:
  - 1.10.1 Evidence, in the form of independent certification, that the Services provided conform to PCI-DSS, and evidence of any other claimed security measures, or equivalents, and security controls implemented; and
  - 1.10.2 Evidence of an independent IT health check using a CESG approved check service provider:  
<http://www.cesg.gov.uk/servicecatalogue/CHECK/Pages/WhatisCHECK.asp>  
[x](#)
- 1.11 The Supplier shall provide the same information assurance evidence specified at 1.10 above to Contracting Authorities at regular intervals and upon request.
- 1.12 It would be desirable for the Supplier's information security management system (relevant to the Services) to be:
  - 1.12.1 Accredited to the ISO27001(2013) Standard, or equivalent; or
  - 1.12.2 Compliant with the relevant ISO27001(2013) measures.
- 1.13 If the Supplier's information security management system (relevant to the services) is accredited to the ISO27001(2013) Standard, or equivalent, or the Supplier can demonstrate compliance with the relevant ISO27001(2013) measures, the Supplier is required to provide evidence of this accreditation and compliance to the Authority and Contracting Authorities at regular intervals and upon request.
- 1.14 The Supplier shall ensure the Merchant Acquiring Services and Merchant Acquiring Equipment provided are maintained to the current standards set by PCI-DSS, Payment Services Regulations, UK Cards Association and operate within the current rules of the Card Schemes.
- 1.15 The Supplier shall provide the Contracting Authorities with current information detailing the Contracting Authorities' PCI-DSS responsibilities and shall work with the Contracting Authorities to ensure that the Contracting Authority is fully compliant with the current PCI-DSS Standard.
- 1.16 The Supplier shall securely store, for 7 years and in accordance with PCI-DSS, all payment and transaction data processed for and on behalf of the Contracting Authorities.
- 1.17 The Supplier shall, on behalf of the Authority and Contracting Authority, undertake an impact and sensitivity analysis in the event of any legislative or Card Scheme

amendments that may have an impact on the cost of the Merchant Acquiring Services and Merchant Acquiring Equipment.

- 1.18 The Supplier shall inform the Contracting Authorities in accordance with their Service Levels, of any issues or incidents affecting their Merchant Acquiring Services and Merchant Acquiring Equipment.
- 1.19 The Supplier shall inform the Contracting Authorities of new payment innovations and methods that become available and make such innovations and methods available to the Contracting Authorities in order that they can be implemented by the Contracting Authorities if required, including, but not limited to:
  - 1.19.1 Biometrics;
  - 1.19.2 Digital currencies.
- 1.20 The Supplier shall ensure the Contracting Authorities can decide which payment types can be accepted and processed at any time, to ensure that the Contracting Authorities adhere to their policies regarding the type of payments that can be accepted and processed.
- 1.21 The Supplier shall provide the Contracting Authorities with the capability and functionality to accept or block any future payments by, but not limited to;
  - 1.21.1 Primary Account Number (PAN);
  - 1.21.2 Bank Identification Number (BIN) range;
  - 1.21.3 Card type;
  - 1.21.4 Payment type;
  - 1.21.5 Alternative Payment Method
  - 1.21.6 Contracting Authority identifier (Company ID (CID));
  - 1.21.7 Customer Transaction description reference;
  - 1.21.8 Country;
  - 1.21.9 Alternative methods deemed appropriate.
- 1.22 The Supplier shall provide the Contracting Authorities with the capability and functionality to verify the Payer's billing address.
- 1.23 The Supplier shall provide the Contracting Authorities with details of new card BIN ranges, and the BIN's of Card Schemes in use, as and when they are provided by the Card Schemes, and shall ensure the Contracting Authorities can accept them, if required, across all the Contracting Authorities' Merchant Acquiring Services and Merchant Acquiring Equipment from the date they are available in the market.

- 1.24 The Supplier shall ensure a PCI-DSS secure connection is used between a Contracting Authority, a Payer and the Merchant Acquiring Services and Merchant Acquiring Equipment at all times.
- 1.25 The Supplier shall ensure there is a separation of each Contracting Authority's data and that of any other merchants to avoid exposing each Contracting Authority's data to unauthorised parties.

## **2. MERCHANT ACQUIRING EQUIPMENT**

- 2.1 Where required, the Supplier shall provide the Contracting Authorities with POS and MPOS equipment, or equivalent, and connect to the Merchant Acquiring Services to facilitate Cardholder Present and Cardholder Not Present Transactions (including Refunds), using Chip and PIN and Contactless technology at designated locations globally, including third party locations and mobile teams. The choice of Merchant Acquiring Equipment shall include, but shall not be limited to;
- 2.1.1 Fixed Terminals;
  - 2.1.2 Mobile Terminals;
  - 2.1.3 PDQ Terminals;
  - 2.1.4 Bluetooth Terminals;
  - 2.1.5 Customer Activated Terminal;
  - 2.1.6 Wireless Terminals;
  - 2.1.7 Remote Wireless Terminals;
  - 2.1.8 Contactless Terminals;
  - 2.1.9 Imprinter Terminals;
  - 2.1.10 Unattended Terminals;
  - 2.1.11 Portable Terminals.
- 2.2 The Merchant Acquiring Equipment shall have the functionality to connect to the Merchant Acquiring Services so the Contracting Authorities are not required to invest in a bespoke network or new infrastructure to facilitate the Merchant Acquiring Services. Merchant Acquiring Equipment connectivity shall cover, but shall not be limited to:
- 2.2.1 Internet connection;
  - 2.2.2 Broadband;
  - 2.2.3 Radio;
  - 2.2.4 GPRS;
  - 2.2.5 Wireless;
  - 2.2.6 Satellite communication facilities;
  - 2.2.7 Any emerging connectivity.
- 2.3 Where required, the Supplier shall provide the Contracting Authorities with POS and MPOS equipment, or equivalent, at the Contracting Authorities' global sites, including at permanent UK bases globally and potentially on board UK ships.
- 2.4 The Supplier shall ensure that any industry changes to Contactless threshold values are applied to all of the Contracting Authorities' Contactless Merchant Acquiring Equipment free of charge and are available with immediate effect in line with the industry launch and go-live date.

- 2.5 The Supplier shall provide the Contracting Authorities with current and secure PCI-DSS compliant and identifiable Virtual Terminals, or equivalent, for call centres and/or where the Contracting Authorities receive payments by telephone order or mail order that result in the requirement to process Cardholder Not Present Transactions. The Merchant Acquiring Services provided shall be secure and shall be able to link to any integrated voice recognition telephone technology used by the Contracting Authorities.
- 2.6 If the Supplier and a Contracting Authority agree the need for manual imprinter terminals, the Supplier shall ensure that all data on its Till Rolls, Sales Vouchers and copy Sales Vouchers are consistently clear and easily readable.
- 2.7 Contracting Authorities shall be able to use their own banking industry approved Till Rolls and Sales Vouchers where required.

### **3. MERCHANT ACQUIRING SET-UP**

- 3.1 The Supplier shall assign a unique Contracting Authority identifier to each Contracting Authority. The unique Contracting Authority identifier used shall be agreed by the Supplier and each Contracting Authority.
- 3.2 The Supplier shall engage and work with Contracting Authorities in order to set-up and assign merchant IDs (MIDs), Terminal IDs (TIDs), and groups of MIDs and TIDs, and shall ensure that the set-up reflects the structure required by each Contracting Authority.
- 3.3 The Supplier shall link Contracting Authorities' MIDs, TIDs and groups of MIDs and TIDs to specific Contracting Authority bank accounts and facilitate separation by, but not limited to:
  - 3.3.1 Lines of business;
  - 3.3.2 Different teams; and
  - 3.3.3 Work streams.
- 3.4 The Supplier shall verify the accuracy of Contracting Authorities' MIDs and TIDs, and the required separation to ensure that the implementation is completed correctly.
- 3.5 The Supplier shall ensure that the Contracting Authorities can accept various currencies by MIDs and TIDs, including, but not limited to GBP.
- 3.6 The Supplier shall ensure that the Contracting Authorities can remit funds by, but not limited to:
  - 3.6.1 Contracting Authority Identifier (Company ID (CID));
  - 3.6.2 MID;
  - 3.6.3 TID.

- 3.7 The Supplier shall ensure Contracting Authorities can assign each Transaction a custom identifier that shall be agreed by the Supplier and the Contracting Authorities and shall be included in all dataflows and reports.
- 3.8 Contracting Authorities shall be able to select a floor limit (in consultation with the Supplier), including a zero limit that requires all transactions to be authorised to confirm sufficient funds are in the Payer's account prior to the transaction being processed.
- 3.9 The Supplier shall agree a process with each Contracting Authority that shall allow only designated Contracting Authority personnel to issue Refunds.
- 3.10 Where Contracting Authorities own or rent merchant acquiring equipment that is used to accept payments under separate contracts, on a Contracting Authority's authorisation, the Supplier shall work with the Contracting Authority's third party suppliers, as if they are the Contracting Authority, to connect the merchant acquiring equipment to the Merchant Acquiring Services free of charge, to ensure all payments are processed and to any issues are resolved in accordance with the Authority's KPI's and the Contracting Authority's Service Levels.

#### **4. TAKING & PROCESSING PAYMENTS & SETTLEMENT**

- 4.1 The Supplier shall provide the Contracting Authorities with Merchant Acquiring Services and Merchant Acquiring Equipment that is accessible to Payers with disabilities in order to provide an inclusive service.
- 4.2 If required by the Contracting Authorities, and in accordance with Card Scheme rules, the Supplier shall provide the Contracting Authorities with a facility to collect and transfer payment processing charges from a Payer in a stream separate from the Gross revenue collected to enable the Contracting Authorities to reconcile the recovery of payment processing charges within internal accounting ledgers.
- 4.3 When each Transaction is processed, the Merchant Acquiring Services shall facilitate authorisation of Transactions to provide Contracting Authorities with a response indicating the status of each Transaction submitted, including, but not limited to;
  - 4.3.1 Approve;
  - 4.3.2 Refer;
  - 4.3.3 Decline;
  - 4.3.4 Decline and pick up.
- 4.4 The Supplier shall ensure that for each unique Transaction reference, payment is only taken once enabling Contracting Authorities to notify the Payer accordingly with a customisable message written by the Contracting Authority in agreement with the Supplier.
- 4.5 Where required, the Supplier shall provide the Contracting Authorities with the facility to process, repeat and recurring payments by mail or telephone order transactions, including, but not limited to;
  - 4.5.1 Standing Order;

- 4.5.2 Direct Debit (DD);
- 4.5.3 Deferred Transactions;
- 4.5.4 Release Transactions;
- 4.5.5 Continuous authority Transactions.

## 5 SETTLEMENT

- 5.1 The Supplier shall enable Contracting Authorities to choose and put in place an agreed settlement process, including times, for the Contracting Authorities' end of day procedures and receipt of funds.
- 5.2 The Supplier shall agree with the Contracting Authorities the settlement cut off time. A Contracting Authority shall have the flexibility to set this by MID or TID to facilitate alignment of its system cut offs with the Merchant Acquiring Services cut offs.
- 5.3 The Supplier shall ensure each Contracting Authority receives Gross value of all card payments in its specified bank account(s) and in accordance with its chosen settlement day and time. This may be intraday or on day 2, where day 1 is the date payment is taken before the agreed end of day. This ensure that revenue is paid over in accordance with each Contracting Authority's agreed settlement date and time.
- 5.4 The Supplier shall ensure that each Contracting Authority receives Gross value of all Alternative Payment Methods in accordance with its chosen settlement day and time.
- 5.5 The Supplier shall provide Contracting Authorities with standard terms of 30 days for settlement of Gross fees and charges, with the Supplier offering prompt payment discounts for earlier settlement by, but not limited to these settlement methods:
  - 5.5.1 Banker's Automated Clearing Services (BACS);
  - 5.5.2 Clearing House Automated Payment System (CHAPS);
  - 5.5.3 Direct Debit (DD);
  - 5.5.4 Faster payment.
- 5.6 The Supplier shall provide a discount or improvement on pricing for Contracting Authorities who may wish to take advantage of a reduction in fees by settling their merchant account invoice within the following settlement periods:
  - 5.6.1 1 day
  - 5.6.2 2 days
  - 5.6.3 7 days
  - 5.6.4 14 days
  - 5.6.5 21 days
  - 5.6.6 28 days
- 5.7 If a Contracting Authority submits a Gross payment file to the Supplier, the Supplier shall acknowledge receipt and shall confirm the number of transactions and total Gross value of the file.
- 5.8 The Supplier shall ensure that there is no Netting Off of monies to or from a Contracting Authority's bank account(s), to enable Contracting Authorities to see all receipts

coming in and all Refunds going out as distinct Transactions and not a composite figure.

## **6 FOREIGN CURRENCY TRANSACTIONS**

- 6.1 Where required, the Supplier shall provide the Contracting Authorities with Dynamic Currency Conversion or equivalent.
- 6.2 Where required, the Supplier shall provide Contracting Authorities with the capability to transact in a wide range of currencies available from the currency markets, with settlement into different specified bank accounts for each MID or TID.

## **7 REFUNDS, REVERSALS and CHARGEBACKS**

- 7.1 Where a Chargeback or Refund is applied, the Supplier shall ensure that the Contracting Authority is not charged more than £0.01 plus the cost to process the original payment or more than any regulated Chargeback fee.
- 7.2 Where required, the Supplier shall provide Contracting Authorities with the capability to process bulk Refunds using an electronic file upload.
- 7.3 The Supplier shall provide Contracting Authorities with a well-documented real time HTTPS API to initiate Refunds for any given Transaction to provide a smooth integration with a Contracting Authority's case management system.
- 7.4 The Supplier shall provide Contracting Authorities with a Refund report including any information required by Contracting Authorities to execute a full or partial reverse or Refund of a Transaction easily, promptly and to the original payment method.
- 7.5 The Supplier shall provide Contracting Authorities with the information required to manage Chargeback occurrences, including, but not limited to:
  - 7.5.1 Cardholder Present: POS terminals;
  - 7.5.2 Cardholder Not Present, including any telephone payments;
  - 7.5.3 Online transactions;
  - 7.5.4 Fraudulent transactions.
- 7.6 The Supplier shall provide a complete audit trail enabling Contracting Authorities the ability to identify individual payments so all Chargebacks and Refunds can be returned to the original payment.
- 7.7 When a Chargeback is authorised, the Supplier shall notify the Contracting Authority and separately debit the Contracting Authority's designated bank account for each individual Chargeback event. Each Chargeback shall be detailed with the DD mandate reference and the Contracting Authority's Transaction description reference within the BACS file provided to the Contracting Authority.
- 7.8 The Supplier shall provide Contracting Authorities with any information that is required by the Contracting Authorities to respond to requests for information (RFIs), for Chargebacks and dispute resolution. The Supplier shall work with the Contracting

Authorities as required to resolve any issues or queries satisfactorily in accordance with the various Card Scheme rules and the Contracting Authorities' Service Levels.

- 7.9 Contracting Authorities shall have a minimum of 14 working days from the time of receipt of an enquiry, to investigate and respond to enquiries and the Supplier shall work with the Contracting Authorities as required to ensure a satisfactory resolution to enquiries relating to, but not limited to:

- 7.9.1 Referrals;
- 7.9.2 Refunds;
- 7.9.3 Errors;
- 7.9.4 Fraud.

## **8 REPORTING and INVOICING**

- 8.1 The Supplier shall ensure that Contracting Authorities can securely access any provided reporting, electronic billing, and invoices by, but not limited to:

- 8.1.1 HTTPS API;
- 8.1.2 Secure File Transfer Protocol (SFTP);
- 8.1.3 Secure email.

- 8.2 The Supplier shall ensure that if an online system to manage Transaction data is provided to the Contracting Authorities, it has no limitations on the volumes of data that can be downloaded, so the Contracting Authorities can download the information they require.

- 8.3 The Supplier shall ensure that if an online system to download a report is provided to Contracting Authorities, the maximum number of Transactions that can be included on any one download shall be agreed with the Contracting Authorities.

- 8.4 The Supplier shall provide the Contracting Authorities with the facility to produce, download and export statements and reports so the Contracting Authorities can manage their payment processes in the following formats, including, but not limited to:

- 8.4.1 Excel;
- 8.4.2 Comma Separated Values (CSV);
- 8.4.3 Space delimited;
- 8.4.4 Comma delimited;
- 8.4.5 Text format.

- 8.5 The Supplier shall provide Contracting Authorities with payment data and the facility to produce, download and export statements and reports so that Contracting Authorities can manage their payment processes. The statements and reports shall contain, but are not limited to, the following fields:

- 8.5.1 CID;
- 8.5.2 MID;
- 8.5.3 TID;
- 8.5.4 The Contracting Authority Payer identifier;

- 8.5.5 The Contracting Authority Transaction description reference;
- 8.5.6 Payer transaction description reference;
- 8.5.7 Reason code;
- 8.5.8 Amount of payments;
- 8.5.9 Amount of refunds;
- 8.5.10 Posting date;
- 8.5.11 Transaction date;
- 8.5.12 Description of Transaction;
- 8.5.13 Currencies;
- 8.5.14 Time (hours:minutes:seconds:milliseconds);
- 8.5.15 Gross value;
- 8.5.16 Value Added Tax (VAT).

8.6 The Supplier shall provide Contracting Authorities with a report of processed Transactions, in the Contracting Authorities' chosen format (from a variety of common banking industry payment files such as SWIFT, BAI, .CSV, xml), and shall provide online access, through a web-based management interface and well-documented synchronous HTTPS API, to enable Contracting Authorities to update their accounting and cash management systems and to provide the capability to search for individual Transactions or groups of Transactions by, but not limited to, following fields:

- 8.6.1 Individual Payer;
- 8.6.2 Items / services purchased;
- 8.6.3 Contracting Authority Payer identifier;
- 8.6.4 CID;
- 8.6.5 MID;
- 8.6.6 TID;
- 8.6.7 Date;
- 8.6.8 Time (hours:minutes:seconds:milliseconds);
- 8.6.9 Transaction value of each Transaction processed at each TID within the period;
- 8.6.10 Type of payment made;
- 8.6.11 Transaction type;
- 8.6.12 Card type;
- 8.6.13 Contracting Authority Transaction description reference;
- 8.6.14 Payer Transaction description reference
- 8.6.15 Final total of Transactions at each terminal with the merchant reference number shown alongside;
- 8.6.16 Overall monthly totals for the number and value of the Transactions taken at each MID and TID;
- 8.6.17 The total value of payments taken by card type at each individual location;
- 8.6.18 The total number and value of card Transactions processed in the period by each terminal;
- 8.6.19 The total value of the related service charge raised;
- 8.6.20 VAT.

8.7 The Supplier shall ensure that common banking industry payment files (SWIFT, BAI, .csv, xml) provided to Contracting Authorities are Gross value and compatible with the Contracting Authorities' financial systems. These payment files shall contain the Contracting Authorities' specific requirements including, but not limited to, time of receipt, and shall provide a true and accurate real-time picture of the Contracting Authorities' payments and receipts.

8.8 The Supplier shall provide Contracting Authorities with an end of day report which shall include, but shall not be limited to, the following fields:

- 8.8.1 Individual Payer;
- 8.8.2 Items / services purchased by Payer;
- 8.8.3 Currency of payment;
- 8.8.4 Payment value made (and for which items/services);
- 8.8.5 Date of payment;
- 8.8.6 Time of payment (hours:minutes:seconds:milliseconds).

8.9 The Supplier shall provide Contracting Authorities with a report, or the facility to produce a report for download and export, that contains the details of all Chargebacks and Refunds. The report shall contain the fields shown on the original payment, including, but not be limited to;

- 8.9.1 CID;
- 8.9.2 MID;
- 8.9.3 TID;
- 8.9.4 Name;
- 8.9.5 Transaction date;
- 8.9.6 Posting date;
- 8.9.7 Time (hours:minutes:seconds:milliseconds);
- 8.9.8 Contracting Authority Payer identifier;
- 8.9.9 Contracting Authority Transaction description reference;
- 8.9.10 Amount;
- 8.9.11 Currency;
- 8.9.12 Payer Transaction description reference;
- 8.9.13 Reason code;
- 8.9.14 Authorisation code;
- 8.9.15 Specific Supplier reference if used.

8.10 Where a specific reference is used by the Supplier for Refunds or Chargebacks to be made, this shall be provided to the Contracting Authority and shall be available within all settlement and Management Information reports and files.

8.11 The Supplier shall ensure Contracting Authorities shall be able to produce a daily print out or account of all Transactions made using POS, MPOS or equivalent equipment.

8.12 The Supplier shall provide Contracting Authorities with payment files, in their specified file type from current common banking industry payment files (SWIFT, BAI, .csv, xml), and online access to a reporting system with the functionality to select and export on reporting parameters, so the Contracting Authorities can produce daily, monthly, annual and ad hoc reports, statements and summaries containing card and Alternative Payment Methods for each individual Transaction to manage income and maintain an audit trail, current and up to date accounting, and cash management systems. The files required shall include, but shall not be limited to, the following fields:

- 8.12.1 CID;

- 8.12.2 Each MID;
- 8.12.3 Each TID;
- 8.12.4 Settlement date;
- 8.12.5 Bank account number;
- 8.12.6 Data for each Contracting Authority unique or custom identifiers;
- 8.12.7 Posting date;
- 8.12.8 Transaction date;
- 8.12.9 Transaction type;
- 8.12.10 Payment type;
- 8.12.11 Opening ledger balance;
- 8.12.12 Current closing balance;
- 8.12.13 Opening available balance;
- 8.12.14 Credit count;
- 8.12.15 Debit count;
- 8.12.16 Total debit amount;
- 8.12.17 Total credit amount;
- 8.12.18 Time (hours:minutes:seconds:milliseconds);
- 8.12.19 Value of each Transaction processed on each terminal within the period;
- 8.12.20 Final Gross total of Transactions at each terminal with the merchant reference number shown alongside;
- 8.12.21 Overall monthly Gross totals for the number and value of the Transactions taken at each MID and TID;
- 8.12.22 Total value of payments taken by card and Alternative Payment Method type at each geographic location;
- 8.12.23 Total number and value of card and Alternative Payment Method Transactions processed in a given period by each imprinter or terminal.
- 8.12.24 Total value of the related service charge raised for any given period;
- 8.12.25 Individual Payer reference;
- 8.12.26 Items / services purchased.

8.13 The Supplier shall provide an accurate invoice in Gross GBP Sterling to the Contracting Authority in their choice of paper or electronic invoice. Where an electronic invoice is provided, this shall be in the Contracting Authority's chosen format, from a variety of common banking industry payment files (SWIFT, BAI, .csv, xml), with a full breakdown of any fees and charges, including line item detail for, but not limited to:

- 8.13.1 Payment type;
- 8.13.2 Payment charges.

8.14 The Supplier shall provide Contracting Authorities with Gross value invoices or electronic invoices containing the Contracting Authorities' specific requirements, including, but not limited to:

- 8.14.1 Purchase Order reference as supplied by the Contracting Authorities where applicable;
- 8.14.2 CID;
- 8.14.3 MID;

- 8.14.4 TID;
- 8.14.5 Individual Transaction;
- 8.14.6 Location;
- 8.14.7 Volume of Transactions;
- 8.14.8 Value of Transactions;
- 8.14.9 Currency breakdown;
- 8.14.10 Gross value;
- 8.14.11 VAT.

8.15 The Supplier shall provide Contracting Authorities with online access to a report providing a full breakdown of the Contracting Authorities' Gross payments, and a separate report providing a full breakdown of the Contracting Authorities' Gross Refunds, on Day 2 by 07.00 hours GMT or issued by secure email in an electronic format, including, but not limited to, xml and .csv or SFTP, by 07.00 hours GMT on Day 2, detailing all the previous day's Transactions processed before the Contracting Authorities' agreed end of day cut offs.

8.16 The Supplier shall provide Contracting Authorities with a report, or the facility to produce a report for download and export, containing all key Transactions-related data, including references applicable to the Supplier and Contracting Authorities.

8.17 The Supplier shall provide Contracting Authorities with access to an online system to provide real-time access to view all card/Alternative Payment Method Transactions, including, but not limited to:

- 8.17.1 CID;
- 8.17.2 Contracting Authority Payer identifier;
- 8.17.3 Contracting Authority Transaction description reference;
- 8.17.4 Payer Transaction description reference;
- 8.17.5 MID;
- 8.17.6 TID;
- 8.17.7 Amount;
- 8.17.8 Time (hours:minutes:seconds:milliseconds);
- 8.17.9 Currency;
- 8.17.10 Payment method;
- 8.17.11 Reason code;
- 8.17.12 Authorisation code;
- 8.17.13 Specific Supplier Transaction description reference if used;
- 8.17.14 Details of all Refunds and Chargebacks.

8.18 The Supplier shall provide the Gross position to Contracting Authorities with the capability for charges, credits (negative settlements) and Chargebacks to be debited from different bank accounts at MID level or across a group of MIDs.

8.19 The Supplier shall ensure Contracting Authorities are able to obtain, at any time, an accurate real-time view of their Merchant Acquiring Services and Merchant Acquiring Equipment payments.

8.20 The Supplier shall ensure that any online reporting system provided to Contracting Authorities does not limit the number and type of reports that can be generated and/or downloaded in any given period, or the number of times the Transaction status can be queried via a web interface or API.

8.21 The Supplier shall agree with Contracting Authorities the maximum number of Transactions that can be included on any one report. These thresholds shall be able to cope with all volumes of Transactions, including peak processing periods, with a tolerance of a minimum of 10% above the anticipated volumes. The facility to change these thresholds shall be provided and the changes shall be actioned within agreed timescales, including at least one calendar month in advance of any peak processing period.

8.22 The Supplier shall provide Contracting Authorities with data containing the relevant fields and information for the Contracting Authorities' ERP, P2P and finance systems in order that the data can be uploaded into the Contracting Authorities' ERP, P2P and finance systems, including, but not limited to:

- 8.22.1 Sims Financial Management;
- 8.22.2 Civica Resource Financials;
- 8.22.3 PS Financials;
- 8.22.4 Fiserv Accurate;
- 8.22.5 Sage;
- 8.22.6 SAP;
- 8.22.7 Oracle;
- 8.22.8 CODA;
- 8.22.9 Agresso.

8.23 The Supplier shall provide Contracting Authorities with online access to a report, or provide a report in accordance with the Contracting Authorities' delivery methods and frequencies, with details including, but not limited to:

- 8.23.1 Lost Transactions;
- 8.23.2 Abandoned Transactions;
- 8.23.3 Drop offs;
- 8.23.4 Refused Transactions;
- 8.23.5 Reloading information.

## **9 BUSINESS CONTINUITY**

9.1 The Supplier shall ensure that in the event of failure in part of the Supplier's Merchant Acquiring Services and/or Merchant Acquiring Equipment, the Supplier shall maintain failover capacity and data storage processes to effect a failover or disaster recovery operation.

- 9.2 The Supplier shall ensure a robust business continuity and disaster recovery plan is in place for all Merchant Acquiring Services and Merchant Acquiring Equipment, and shall be able to demonstrate disaster recovery to ensure continuity of the Merchant Acquiring Services and Merchant Acquiring Equipment without loss, as and when required by the Authority or a Contracting Authority.
- 9.3 The Supplier shall ensure that in the event of disaster recovery, connectivity with the Contracting Authorities' sites and the availability of the Merchant Acquiring Services and Merchant Acquiring Equipment is maintained.
- 9.4 The Supplier shall provide a copy of its business continuity and disaster recovery plan to the Authority upon the Framework Commencement Date.

## **10 AUTHORITY REQUIREMENTS**

- 10.1 The Supplier shall provide dedicated expert technical consultancy, free of charge, to work with the Authority and the Contracting Authorities to support the government's strategy to improve its capabilities in the area of electronic purchasing and payment, and to encourage and assist Contracting Authorities to move away from traditional payment acceptance methods (cash/cheque) where appropriate, and move towards greater use of new technology that can be utilised to increase receipts through Merchant Acquiring Services.
- 10.2 If applicable, the Supplier is required to provide the Authority with a copy of its Supplier Agreement on the commencement date of the Framework Agreement.
- 10.3 The Supplier shall price all the Contracting Authorities' transactional volume and turnover on a continuous basis, without resetting volumes at the start of each call-off contractual year.

## **11 FRAUD AND RISK MANAGEMENT**

- 11.1 The Supplier shall ensure that all payments received by Contracting Authorities are validated to ensure that the payment is not fraudulent.
- 11.2 The Supplier shall agree a process with Contracting Authorities for communicating via telephone, with an agreed telephone authentication process to ensure that all calls made are from genuine employees of the Contracting Authority and Supplier, who have been approved to speak with the other party.
- 11.3 The Supplier shall provide Contracting Authorities with current lists of fraudulent and stolen cards that can be used by Contracting Authorities to block the use of fraudulent and stolen cards.
- 11.4 The Supplier shall provide the Authority with detailed information and standards on how fraud and risk assessment and management is and shall be managed by the Supplier for Contracting Authorities.

- 11.5 The Supplier shall provide Contracting Authorities with risk management tools to use where the risk profile of the Payer's or originating payment Country warrants additional checking.
- 11.6 The Supplier shall provide a web-based interface and a well-documented synchronous HTTPS API to enable Contracting Authorities to query the current status of any Transaction based on a Contracting Authority's unique or custom identifiers for that Transaction, in order that the Contracting Authority can retrieve up to date details of Transactions whose status may have changed.
- 11.7 The Supplier shall provide a mechanism (via a web-based interface and synchronous HTTPS API) for Contracting Authorities to ensure that a Transaction that the Supplier has marked as potentially fraudulent be processed as normal, with the Contracting Authority thereby assuming any risk related to that Transaction.
- 11.8 The Supplier shall provide a mechanism (via a web-based interface and synchronous HTTPS API) for Contracting Authorities to mark a Transaction as fraudulent and halt any further processing of it so that the Contracting Authority can bring to bear any information it receives about its Transaction from its other monitoring systems.
- 11.9 Where a Transaction is flagged or rejected as the result of suspected fraud or money laundering, the Supplier shall ensure any API responses and reports to the Contracting Authorities indicate the Transaction has been flagged or rejected and there shall be a way to see the full reasoning immediately after a decision is made, via API requests for details of that Transaction and in any administrative web interface provided.
- 11.10 The Supplier shall work with Contracting Authorities to implement effective risk assessment and management strategies to detect and reduce fraud and money laundering on Transactions that include but shall not be limited to:
  - 11.10.1 Card transactions in a 3D Secure environment;
  - 11.10.2 Card transactions in a non 3D Secure environment;
  - 11.10.3 Card transactions and CVV data in 3D Secure environment;
  - 11.10.4 Card transactions and CVV in a non 3D Secure environment.
- 11.11 The Supplier shall provide the Authority and the Contracting Authority with a facility to measure and identify fraudulent transactions in order to answer any Freedom of Information Act (FOIA) requests.

## **12 CUSTOMER SERVICE AND SUPPORT**

- 12.1 The Supplier shall provide support to the Contracting Authorities within an agreed timetable, and including, but not limited to:
  - 12.1.1 Set-up of MIDs;
  - 12.1.2 Set-up of TIDs;
  - 12.1.3 Adding to existing MIDs and TIDS, as required;
  - 12.1.4 Supply of hardwired PDQ Terminals (including Contactless);
  - 12.1.5 Supply of wireless PDQ Terminals (including Contactless);
  - 12.1.6 Supply of Bluetooth PDQ Terminals (including Contactless);
  - 12.1.7 Electronic PDQ card payment terminals (including Contactless);
  - 12.1.8 Data transmission to the supplier;

- 12.1.9 Interfacing with car parking payment machines;
- 12.1.10 Interfacing with varying front and back end technology;
- 12.1.11 Interfacing with contactless alternatives;
- 12.1.12 Alternative card charging mechanisms;
- 12.1.13 Fraud minimisation;
- 12.1.14 Risk management systems;
- 12.1.15 Incident management;
- 12.1.16 Reporting files and systems;
- 12.1.17 Changes in card rates;
- 12.1.18 Chargebacks;
- 12.1.19 Information on changes in legislation affecting the Merchant Acquiring Services and Merchant Acquiring Equipment;
- 12.1.20 24/7/365(6) technical support and incident management;
- 12.1.21 Interaction and support with third party suppliers;
- 12.1.22 Helping a Payer make and complete a payment;
- 12.1.23 Help prevent identified individual Payers from making payments;
- 12.1.24 Help to find details of payments made by individual Payers;
- 12.1.25 Items/services purchased.

12.2 The Supplier shall provide Contracting Authorities with the following support and services for POS and MPOS terminals, or equivalent, and manual imprinters:

- 12.2.1 Advice on the most suitable terminal for a particular site;
- 12.2.2 Provision of POS, MPOS or equivalent terminals within times as agreed with the Contracting Authorities;
- 12.2.3 Maintenance of MPOS, POS or equivalent terminals;
- 12.2.4 A same-day call-out service for defective MPOS, POS or equivalent terminals;
- 12.2.5 In the event that the MPOS, POS or equivalent terminals cannot be repaired during an initial repair call-out visit or within an agreed timetable with the Contracting Authorities, loan or replacement Merchant Acquiring Equipment must be provided at no additional cost;
- 12.2.6 Provision of Sales Vouchers and related stationery for manual imprinters;
- 12.2.7 A dedicated customer and technical helpdesk for in and out-of-hours telephone or email queries/issues;
- 12.2.8 System availability 24hours/7days/365(6).

12.3 The Supplier shall provide Contracting Authorities with a dedicated customer and technical helpdesk 24hours/7days/365(6) with calls answered by a customer service representative for the following, but not limited to:

- 12.3.1 Incidents;
- 12.3.2 Problems;
- 12.3.3 Alerts;
- 12.3.4 Account queries;
- 12.3.5 Invoice queries;
- 12.3.6 Payer queries;
- 12.3.7 Merchant Acquiring Services;
- 12.3.8 Merchant Acquiring Equipment;
- 12.3.9 Software;
- 12.3.10 Hardware;

- 12.4 The Supplier shall ensure that all invoices and account payment queries received from the Contracting Authorities are resolved in accordance with the Contracting Authorities' agreed Service Levels.
- 12.5 The Supplier shall ensure that if Contracting Authorities change payment gateway services provider they shall support the Contracting Authorities in ensuring the new payment gateway services interface and connect with the Merchant Acquiring Services in order that operational change is efficient and cardholder Transactions can occur uninterrupted and are all reconciled and settled.
- 12.6 The Supplier shall provide a named account manager for all accounts processing 1million Transactions per annum and above. Where the account is less than 1million Transactions, account management shall be appropriate to the size of the Contracting Authorities' specific requirements and strategic nature of the Contracting Authorities.
- 12.7 The Supplier shall provide Contracting Authorities with a dedicated customer service team for queries in order to ensure effective running of the Merchant Acquiring Services and Merchant Acquiring Equipment.

### **13 TRAINING**

- 13.1 The Supplier shall provide initial and on-going training free of charge to the Authority and Contracting Authorities on how to use the Merchant Acquiring Services and Merchant Acquiring Equipment including any management tools and shall provide updated guidance documents as and when required, free of charge, to the Authority and the Contracting Authorities.
- 13.2 As and when required, the Supplier shall provide the Contracting Authorities with free training on the use of any of the Merchant Acquiring Services and Merchant Acquiring Equipment implemented by the Contracting Authorities, including e-training for the Contracting Authorities' Merchant Acquiring Services and Merchant Acquiring Equipment users in the UK and abroad.

### **14 TESTING**

- 14.1 The Supplier shall provide a sandbox environment for the Contracting Authorities to allow for production-like testing of integrations, including the use of any identifiers that are in use for the production environment and allowance for penetration testing to verify the end-to-end security of the integrated service.
- 14.2 The Supplier shall provide a facility, whether in the normal testing sandbox environment or another replica environment for the Contracting Authorities to run realistic performance and capacity testing to allow the Contracting Authorities to prepare before launching a new service and/or before a period of peak demand.

### **15 TRANSACTION MONITORING**

- 15.1 The Supplier shall provide the Contracting Authorities with the functionality to monitor availability, completion rates and Transaction timings.
- 15.2 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services that will enable Contracting Authorities to monitor and assess the associated risk of each Transaction.
- 15.3 The Supplier shall provide the Contracting Authorities with Transaction monitoring and risk assessment services with the ability to define values and weighting of risk scores for data items within every Transaction.
- 15.4 The Supplier shall provide the Contracting Authorities with Transaction monitoring and risk assessment services with the ability to vary the relative weight of risk to be applied to a given constituent part of a Transaction.
- 15.5 The Supplier shall provide the Contracting Authorities with the Transaction monitoring and risk assessment services that shall score the relative risk of every Transaction based on scores derived from assessment of the constituent parts of a given Transaction and across multiple Transactions within one, many and/or all of a Contracting Authority's accounts.
- 15.6 The Supplier shall provide the Contracting Authorities with Transaction monitoring and risk assessment services that shall be able to influence the Acceptance Thresholds for Transactions.
- 15.7 The Supplier shall alert Contracting Authorities to suspicious patterns of activity in one or more Transactions, occurring across one, many and/or all of a Contracting Authority's accounts.
- 15.8 The Supplier shall provide the Contracting Authorities with management reporting functionality which includes the ability to report on Transaction monitoring events across one, many and/or all of a Contracting Authority's accounts.
- 15.9 The Supplier shall provide the Contracting Authorities with the option to manage the Transaction monitoring services via a console interface hosted by the Supplier and remotely accessible to the Contracting Authorities.
- 15.10 The Supplier shall provide the Contracting Authorities with remote access to the functions of the transaction monitoring service for consumption within locally held transaction monitoring platforms including, but not limited to:
  - 15.10.1 Report out in real time;
  - 15.10.2 Alerts;
  - 15.10.3 Associated contextual meta data.
- 15.11 The Supplier shall provide Contracting Authorities with the functionality to update values and weighting from locally held automated risk assessment and monitoring systems and/or dynamically update risk scores.

- 15.12 The Supplier shall provide the capability to update and manage the Contracting Authorities' Watch Lists with shared fraud data derived from third parties, including but not limited to;
- 15.12.1 Other merchant acquirers;
  - 15.12.2 Shared financial intelligence sources;
  - 15.12.3 Other Government Departments.
- 15.13 Where Watch List and shared fraud data updates are provided, the Supplier shall provide the Contracting Authorities with contextual information indicating the source of the intelligence and reason for inclusion.
- 15.14 The Supplier shall provide the Contracting Authorities with incident reporting and enable investigation with real-time lookup, research and export of selected data sets relevant to a specific event or events across one, many or all of a Contracting Authority's accounts.
- 15.15 The Supplier shall work with the Contracting Authorities to reduce fraud and ensure they take steps to reduce the incidents of fraud and/or money laundering via their Merchant Acquiring Services and Merchant Acquiring Equipment.
- 15.16 Where the Supplier detects unusual patterns of activity that might indicate malicious activities, for example a spike in numbers of potentially fraudulent Transactions or attempts at denial of service attacks, the Supplier shall inform the Contracting Authority's designated security contact as soon as possible and within no more than 4 hours.
- 15.17 Where required, the Supplier shall allow Contracting Authorities to subscribe to an appropriately secured real-time feed of transaction status information to receive updates, including, but not limited to:
- 15.17.1 Transactions processed;
  - 15.17.2 Transactions scored for fraud.

## SECTION 4: NOT USED

## SECTION 5: LOT 3 MERCHANT ACQUIRING SERVICES, MERCHANT ACQUIRING EQUIPMENT AND PAYMENT GATEWAY SERVICES

This section 5 sets out the Services Requirements that Suppliers shall be required to fulfil when providing Services to Contracting Authorities using Lot 3 of this Framework Agreement.

### 1 CORE SERVICES

- 1.1 The Supplier is required to provide Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services to all Contracting Authorities, including Point Of Sale (POS), Mobile Point of Sale (MPOS), Virtual Terminals, Integrated Voice Recognition for call centres, online payment pages and Payment Gateway Services, to facilitate the receipt, transfer and accounting of incoming domestic and foreign payment streams where current UK sanctions permit, from the Payer, from traditional, existing and new payment cards and Alternative Payment Methods to all Contracting Authorities to facilitate Cardholder Present and Cardholder Not Present Transactions.
- 1.2 Where a Contracting Authority has their own payment gateway services and the Supplier is not providing the end-to-end Merchant Acquiring Equipment and Payment Gateway Services, the Supplier shall work with the Contracting Authorities and the Contracting Authorities third party payment gateway services provider to collect and process payment data for transmission to the Merchant Acquiring Services and ensure that all payments are processed and any issues are resolved in accordance with the Authority's KPI's and the Contracting Authorities' Service Levels.
- 1.3 Where Contracting Authorities have multiple agreements for Merchant Acquiring Services, the Supplier shall ensure they work with the Contracting Authorities and the Contracting Authorities' merchant acquirers to ensure that all payments are processed and any issues are resolved in accordance with the Authority's KPI's and the Contracting Authorities' Service Levels.
- 1.4 The Supplier shall ensure that the following payment cards and Alternative Payment Methods can be accepted for the Merchant Acquiring Services, including, but not limited to:
  - 1.4.1 Visa Debit (UK and international cards);
  - 1.4.2 Visa Credit (UK and international cards);
  - 1.4.3 Visa Electron;
  - 1.4.4 Visa Business Debit;
  - 1.4.5 Visa UK Chargecard;
  - 1.4.6 MasterCard Debit (UK and international cards);
  - 1.4.7 MasterCard Credit (UK and international cards);
  - 1.4.8 Maestro/Switch;
  - 1.4.9 International Maestro;
  - 1.4.10 Commercial Debit cards;
  - 1.4.11 Commercial Credit cards;
  - 1.4.12 American Express;
  - 1.4.13 Diners Club International;
  - 1.4.14 Discover;

- 1.4.15 JCB;
- 1.4.16 Fuel Card (UK and international);
- 1.4.17 Multi-function Cards;
- 1.4.18 PayPal;
- 1.4.19 China Union Pay;
- 1.4.20 AliPay;
- 1.4.21 Skrill;
- 1.4.22 PAGA;
- 1.4.23 WebMoney;
- 1.4.24 Cash U;
- 1.4.25 V.me;
- 1.4.26 iDeal;
- 1.4.27 EFTPOS;
- 1.4.28 Neteller;
- 1.4.29 M-PESA;
- 1.4.30 M-PAISA;
- 1.4.31 Ukash;
- 1.4.32 Klarna;
- 1.4.33 GiroPay;
- 1.4.34 Konbini;
- 1.4.35 Sofort;
- 1.4.36 Yandex Money;
- 1.4.37 Paysafecard;
- 1.4.38 TenPay;
- 1.4.39 Wirecard.

- 1.5 The Supplier shall provide the Contracting Authorities with Payment Cards Industry Data Security Standards (PCI-DSS) compliant Payment Gateway Services that enable the Contracting Authorities to accept payments from the Payer from traditional, existing and new payment cards and Alternative Payment Methods which shall include, but shall not be limited to:

- 1.5.1 Visa Debit (UK and international cards);
- 1.5.2 Visa Credit (UK and international cards);
- 1.5.3 Visa Electron;
- 1.5.4 Visa Business Debit;
- 1.5.5 Visa UK Chargecard;
- 1.5.6 MasterCard Debit (UK and international cards);
- 1.5.7 MasterCard Credit (UK and international cards);
- 1.5.8 Maestro/Switch;
- 1.5.9 International Maestro;
- 1.5.10 Commercial Debit cards;
- 1.5.11 Commercial Credit cards;
- 1.5.12 American Express;
- 1.5.13 Diners Club International;
- 1.5.14 Discover;
- 1.5.15 JCB;
- 1.5.16 Fuel Cards (UK and international);
- 1.5.17 Multi-function Cards;
- 1.5.18 PayPal;
- 1.5.19 China Union Pay;

- 1.5.20 AliPay;
- 1.5.21 Skrill;
- 1.5.22 PAGA;
- 1.5.23 WebMoney;
- 1.5.24 Cash U;
- 1.5.25 V.me;
- 1.5.26 iDeal;
- 1.5.27 EFTPOS;
- 1.5.28 Neteller;
- 1.5.29 M-PESA;
- 1.5.30 M-PAISA;
- 1.5.31 Ukash;
- 1.5.32 Klarna;
- 1.5.33 GiroPay;
- 1.5.34 Konbini;
- 1.5.35 Sofort;
- 1.5.36 Yandex Money;
- 1.5.37 Paysafecard;
- 1.5.38 TenPay;
- 1.5.39 Wirecard.

- 1.6 The Supplier shall ensure the Contracting Authorities receive uninterrupted Merchant Acquiring Services and Payment Gateway Services and shall ensure that the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services are available 24 hours a day / 7 days a week / 365(6) days a year.
- 1.7 The Supplier shall work with the Contracting Authorities to agree their implementation plan to transition to the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services, including providing support for migrating any existing recurring payments received by the Contracting Authorities' existing merchant acquiring services, merchant acquiring equipment and payment gateway services.
- 1.8 The Supplier shall have sufficient capacity to ensure the Contracting Authorities' Transaction volumes are catered for without any adverse impact to the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services provided to the Contracting Authorities and their Payers.
- 1.9 The Supplier shall provide, maintain and update all of the hardware and software required to facilitate the acceptance of payments required by the Contracting Authorities.
- 1.10 The Supplier shall ensure the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services provided comply with the current version of the Payment Cards Industry Data Security Standard (PCI-DSS).

- 1.11 Upon the commencement of the Framework Agreement, and on an annual basis (as a minimum), and following any major system change, the Supplier shall provide the following information assurance evidence to the Authority:
- 1.11.1 Evidence, in the form of independent certification, that the Services provided conform to PCI-DSS, and evidence of any other claimed security measures, or equivalents, and security controls implemented; and
  - 1.11.2 Evidence of an independent IT health check using a CESG approved check service provider:  
<http://www.cesg.gov.uk/servicecatalogue/CHECK/Pages/WhatisCHECK.aspx>
- 1.12 The Supplier shall provide the same information assurance evidence specified at 1.11 above to Contracting Authorities at regular intervals and upon request.
- 1.13 It would be desirable for the Supplier's information security management system (relevant to the Services) to be:
- 1.13.1 Accredited to the ISO27001(2013) Standard, or equivalent; or
  - 1.13.2 Compliant with the relevant ISO27001(2013) measures.
- 1.14 If the Supplier's information security management system (relevant to the services) is accredited to the ISO27001(2013) Standard, or equivalent, or the Supplier can demonstrate compliance with the relevant ISO27001(2013) measures, the Supplier is required to provide evidence of this accreditation and compliance to the Authority and Contracting Authorities at regular intervals and upon request.
- 1.15 The Supplier shall ensure the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services provided to the Contracting Authorities are maintained to the current standards set by PCI-DSS, Payment Services Regulations, UK Cards Association and operate within the current rules of the Card Schemes.
- 1.16 The Supplier shall provide the Contracting Authorities with current information detailing the Contracting Authorities' PCI-DSS responsibilities, and shall work with the Contracting Authorities in order to ensure that the Contracting Authorities are fully compliant with the current PCI-DSS.
- 1.17 The Supplier shall securely store, for 7 years and in accordance with PCI-DSS, all payment and transaction data processed for and on behalf of the Contracting Authority.
- 1.18 The Supplier shall, on behalf of the Authority and Contracting Authority, undertake an impact and sensitivity analysis in the event of any legislative or Card Scheme

amendments that may have an impact on the cost of the Merchant Acquiring Services and Payment Gateway Services.

- 1.19 The Supplier shall inform the Contracting Authorities, in accordance with their Service Levels, of any issues or incidents affecting their Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services.
- 1.20 The Supplier shall inform the Contracting Authorities of new payment innovations and methods that become available and make such innovations and methods available to the Contracting Authorities in order that they can be implemented by the Contracting Authorities if required, including, but not limited to:
  - 1.20.1 Tokenisation;
  - 1.20.2 Biometrics;
  - 1.20.3 Digital currencies.
- 1.21 The Supplier shall ensure the Contracting Authorities can decide which payment types can be accepted and processed at any time, to ensure that the Contracting Authorities adhere to their policies regarding the type of payments that can be accepted and processed.
- 1.22 The Supplier shall provide the Contracting Authorities with the capability and functionality to accept or block any future payments by, but not limited to:
  - 1.22.1 Primary Account Number (PAN);
  - 1.22.2 Bank Identification Number (BIN) range;
  - 1.22.3 Card type;
  - 1.22.4 Payment type;
  - 1.22.5 Alternative Payment Method;
  - 1.22.6 Contracting Authority identifier (Company ID (CID));
  - 1.22.7 Customer Transaction description reference;
  - 1.22.8 Country;
  - 1.22.9 Internet Protocol (IP) address;
  - 1.22.10 Cookie(s);
  - 1.22.11 Unique device identifier(s);
  - 1.22.12 Alternative methods deemed appropriate.
- 1.23 The Supplier shall provide the Contracting Authorities with the capability and functionality to verify the Payer's billing address.
- 1.24 The Supplier shall provide the Contracting Authorities with details of new card BIN ranges and the BIN's of Card Schemes in use as and when they are provided by the Card Schemes and shall ensure the Contracting Authorities can accept them, if required, across all the Contracting Authorities' Merchant Acquiring Services,

Merchant Acquiring Equipment and Payment Gateway Services from the date they are available in the market.

## **2 MERCHANT ACQUIRING EQUIPMENT**

- 2.1 Where required, the Supplier shall provide the Contracting Authorities with POS and MPOS equipment, or equivalent, and connect to the Merchant Acquiring Services to facilitate Cardholder Present and Cardholder Not Present Transactions, including Refunds, using Chip and PIN and Contactless technology at designated locations globally, including third party locations and mobile teams. The choice of equipment shall include, but shall not be limited to;
- 2.1.1 Fixed Terminals;
  - 2.1.2 Mobile Terminals;
  - 2.1.3 PDQ Terminals;
  - 2.1.4 Bluetooth Terminals;
  - 2.1.5 Customer Activated Terminals;
  - 2.1.6 Wireless Terminals;
  - 2.1.7 Remote Wireless Terminals;
  - 2.1.8 Contactless Terminals;
  - 2.1.9 Imprinter Terminals;
  - 2.1.10 Unattended Terminals;
  - 2.1.11 Portable Terminals.
- 2.2 The Merchant Acquiring Equipment shall have the functionality to connect to the Merchant Acquiring Services so Contracting Authorities are not required to invest in a bespoke network or new infrastructure to facilitate the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services. Merchant Acquiring Equipment connectivity shall cover, but shall not be limited to:
- 2.2.1 Internet connection;
  - 2.2.2 Broadband;
  - 2.2.3 Radio;
  - 2.2.4 GPRS;
  - 2.2.5 Wireless;
  - 2.2.6 Satellite communication facilities;
  - 2.2.7 Any emerging connectivity.
- 2.3 Where required, the Supplier shall provide Contracting Authorities with POS and MPOS equipment, or equivalent, at the Contracting Authorities' global sites, including at permanent UK bases globally and potentially on board UK ships.
- 2.4 The Supplier shall ensure that any industry changes to contactless threshold values are applied to all Contracting Authority Merchant Acquiring Equipment free of charge and are available with immediate effect in line with the industry launch and go-live date.
- 2.5 The Supplier shall provide Contracting Authorities with current and secure PCI-DSS compliant and identifiable Virtual Terminals, or equivalent, for call centres and/or where the Contracting Authorities receive payments by telephone, parking machine and other methods that result in the requirement to process Cardholder Not Present

Transactions. The Merchant Acquiring Services provided shall be secure and shall be able to link to any integrated voice recognition telephone technology used by the Contracting Authorities.

- 2.6 If the Supplier and a Contracting Authority agree the need for manual imprinter terminals, the Supplier shall ensure that all data on its Till Rolls, Sales Vouchers and copy Sales Vouchers are consistently clear and easily readable.
- 2.7 The Supplier shall enable the Contracting Authorities to use their own banking industry approved Till Rolls and Sales Vouchers.

### **3 PAYMENT GATEWAY SERVICES**

- 3.1 The Supplier shall ensure a secure connection is used between the Contracting Authority's website, the Payer, the Payment Gateway Services and the Merchant Acquiring Services at all times.
- 3.2 The Supplier shall ensure that Payment Gateway Services and systems provided to Contracting Authorities to take payments online are in line with current industry standards in order that the Payment Gateway Services will reliably process each transaction within 3 seconds.
- 3.3 The Supplier shall ensure that all web-based interfaces use by Contracting Authorities or Payers meet, as a minimum, Level AA of the Web Content Accessibility Guidelines (WCAG) 2.0.
- 3.4 The Supplier shall maintain, as a minimum, the equivalent level of browser support as GOV.UK, documented at <https://www.gov.uk/service-manual/user-centred-design/browsers-and-devices>
- 3.5 The Supplier shall ensure that the Payment Gateway Services pages are rendered correctly for compatibility with devices including, but not limited to:
  - 3.5.1 Macs;
  - 3.5.2 Desktops;
  - 3.5.3 Laptops;
  - 3.5.4 Smart phones; and
  - 3.5.5 Tablet devices.
- 3.6 The Supplier shall ensure that the Payment Gateway Services pages can be customised, including, but not limited to, the customisation of:
  - 3.6.1 Copy;
  - 3.6.2 Branding;
  - 3.6.3 Logos;
  - 3.6.4 Colour schemes;
  - 3.6.5 Fonts;
  - 3.6.6 Phrases;
  - 3.6.7 Wording;

- 3.6.8 Contact details.
- 3.7 Any changes requested by Contracting Authorities to the Payment Gateway Services pages shall be completed by the Supplier free of charge and within an agreed timetable, including, but not limited to, requested changes to:
  - 3.7.1 Copy;
  - 3.7.2 Branding;
  - 3.7.3 Logos;
  - 3.7.4 Colour schemes;
  - 3.7.5 BIN ranges;
  - 3.7.6 Alternative Payment Methods;
  - 3.7.7 Phrases;
  - 3.7.8 Wording;
  - 3.7.9 Contact details.
- 3.8 If required by Contracting Authorities, the Supplier shall provide Contracting Authorities with auto populated or manual entry payment page(s) in order to capture the data required to process payments and provide the Contracting Authorities with the relevant reporting information, including, but not limited to, the following fields:
  - 3.8.1 Items/services purchased;
  - 3.8.2 Individual payer;
  - 3.8.3 Contracting Authority identifier (Company ID (CID));
  - 3.8.4 Contracting Authority Payer identifier;
  - 3.8.5 Contracting Authority Transaction description reference;
  - 3.8.6 Payer Transaction description reference;
  - 3.8.7 Amount;
  - 3.8.8 PAN (15 or 16 digits);
  - 3.8.9 CVV (3 & 4 digits);
  - 3.8.10 Expiry end date;
  - 3.8.11 Email address;
  - 3.8.12 Secure and PCI-DSS compliant link to Alternative Payment Method providers.
- 3.9 The Payment Gateway Services provided to Contracting Authorities shall have Payment Gateway pages with a selection of languages for multi-lingual Payers to use the Payment Gateway Services in their own language. The selection of languages shall include, but shall not be limited to:
  - 3.9.1 English;
  - 3.9.2 Welsh.
- 3.10 The Supplier shall provide Contracting Authorities with a well-documented real time HyperText Transfer Protocol Secure (HTTPS) Application Programme Interface (API) to capture payment details through their own payment pages or equivalent, before the Transaction is processed.
- 3.11 The Supplier shall provide Contracting Authorities with a seamless transition from the Contracting Authority's website to the Payment Gateway Services so it appears to the

Payer that they are still on the Contracting Authority's website. The transition shall include notifying the Payer that they are entering a secure environment.

- 3.12 The Supplier shall ensure that there is a separation of each Contracting Authority's data and that of any other merchant to avoid exposing the Contracting Authority's data to unauthorised third parties.
- 3.13 The Supplier shall provide Contracting Authorities with the facility to accept and securely process recurring and repeat payments through the Payment Gateway Services as required.
- 3.14 The Supplier shall provide Contracting Authorities with details and information of new Alternative Payment Methods as and when they become available within their offering and shall ensure that, if required by Contracting Authorities, that their Payment Gateway Services can accept them within agreed timescales.
- 3.15 The Payment Gateway Services pages provided by the Supplier shall have the functionality to securely hold a Payer's payment data so that a Payer that makes regular payments does not have to rekey all of the payment data every time a payment is made.
- 3.16 The Payment Gateway Services provided by the Supplier shall provide the Contracting Authorities with 3D Secure, or equivalent, free of charge for all Card Payments made by a Payer to the Contracting Authorities using the Payment Gateway Services.

#### **4 MERCHANT ACQUIRING SET-UP**

- 4.1 The Supplier shall assign a unique CID to the Contracting Authorities. The unique CID used shall be agreed by the Supplier and the Contracting Authority.
- 4.2 The Supplier shall engage and work with Contracting Authorities in order to set-up and assign merchant IDs (MIDs), Terminal IDs (TIDs), and unique identifiers, and groups of MIDs, TIDs, and unique identifiers, and shall ensure that the set-up reflects the structure required by each Contracting Authority.
- 4.3 The Supplier shall link Contracting Authorities' MIDs, TIDs and groups of MIDs and TIDs, unique identifiers and groups of unique identifiers, to specific Contracting Authority bank accounts and facilitate separation by, but not limited to:
  - 4.3.1 Lines of business;
  - 4.3.2 Different teams; and
  - 4.3.3 Work streams.
- 4.4 The Supplier shall verify the accuracy of Contracting Authorities' MIDs, TIDs, and unique identifiers, and the required separation, to ensure that the implementation is completed correctly.

- 4.5 The Supplier shall ensure that Contracting Authorities can accept various currencies by MIDs, TIDs and unique identifiers, including, but not limited to GBP.
- 4.6 The Supplier shall ensure that the Contracting Authorities can remit funds by, but not limited to:
  - 4.6.1 CID;
  - 4.6.2 MID;
  - 4.6.3 TID;
  - 4.6.4 Unique identifier;
- 4.7 The Supplier shall ensure Contracting Authorities can assign each Transaction a custom identifier that shall be agreed by the Supplier and the Contracting Authority and shall be included in all dataflows and reports.
- 4.8 Contracting Authorities shall be able to select a floor limit (in consultation with the Supplier), including a zero limit, that requires all transactions to be authorised to confirm sufficient funds are in the Payer's account prior to the transaction being processed.
- 4.9 The Supplier shall agree a process with each Contracting Authority that shall allow only designated Contracting Authority personnel to issue Refunds.
- 4.10 Where Contracting Authorities own or rent merchant acquiring equipment that is used to accept payments under separate contracts, on a Contracting Authority's authorisation, the Supplier shall work with the Contracting Authority's third party suppliers, as if they are the Contracting Authority, to connect the merchant acquiring equipment to the Merchant Acquiring Services free of charge, to ensure all payments are processed and to any issues are resolved in accordance with the Authority's KPI's and the Contracting Authority's Service Levels.

## **5 TAKING & PROCESSING PAYMENTS & SETTLEMENT**

- 5.1 The Supplier shall provide the Contracting Authorities with Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services that are accessible to Payers with disabilities in order to provide an inclusive service.
- 5.2 If required by the Contracting Authorities, and in accordance with Card Scheme rules, the Supplier shall provide the Contracting Authorities with a facility to collect and transfer payment processing charges from a Payer in a stream separate from the Gross revenue collected to enable the Contracting Authorities to reconcile the recovery of payment processing charges within internal accounting ledgers.
- 5.3 When each Transaction is processed, the Supplier shall facilitate authorisation of Transactions to provide the Contracting Authorities with a response indicating the status of each Transaction submitted, including, but not limited to:

- 5.3.1 Approve;
  - 5.3.2 Refer;
  - 5.3.3 Decline;
  - 5.3.4 Decline and pick up.
- 5.4 The Supplier shall ensure that for each unique Transaction reference, payment is only taken once, enabling Contracting Authorities to notify the Payer accordingly with a customisable message written by the Contracting Authority in agreement with the Supplier.
- 5.5 Where required, the Supplier shall provide the Contracting Authorities with the facility to process, repeat and recurring payments including, but not limited to:
  - 5.5.1 Standing Orders;
  - 5.5.2 Direct Debits (DD's);
  - 5.5.3 Deferred Transactions;
  - 5.5.4 Release Transactions;
  - 5.5.5 Continuous authority Transactions.
- 5.6 Where required, the Supplier shall allow Contracting Authorities to register a callback Uniform Resource Locator (URL) to receive real time updates when the status of a Transaction changes.
- 5.7 The Supplier shall ensure that any callback URL comes from a specified range of Internet Protocol (IP) addresses which shall be communicated to the Contracting Authorities, to enable the callback URL to be permitted through the Contracting Authorities' firewalls and validated within applications as an extra security measure.
- 5.8 The Supplier shall provide Contracting Authorities with a web-based interface and well-documented synchronous HTTPS API for calculating the charges in order that clear information can be provided to Payers on a Contracting Authority's own website.
- 5.9 The Supplier shall provide Contracting Authorities with the option to automatically confirm payment with the Payer via email and, where required, manage all communication with the Payer.
- 5.10 Where required, the Supplier shall provide Contracting Authorities with the functionality to customise receipt emails. A Contracting Authority shall be able to customise the following as a minimum, but not limited to:
  - 5.10.1 Branding;
  - 5.10.2 Text;
  - 5.10.3 Contact details;
  - 5.10.4 Website details;
  - 5.10.5 Web links to enquiry forms.

## 6 SETTLEMENT

- 6.1 The Supplier shall enable Contracting Authorities to choose and put in place an agreed settlement process, including times, for the Contracting Authorities' end of day procedures and receipt of funds.
- 6.2 The Supplier shall agree the settlement cut off time with the Contracting Authority. Contracting Authorities shall have the flexibility to set this by MID, TID or unique identifier to facilitate alignment of their system cut offs with the Merchant Acquiring Services and Payment Gateway Services cut offs.
- 6.3 The Supplier shall ensure the Contracting Authority receives Gross value of all card payments in its specified bank account(s) and in accordance with its chosen settlement day and time. This may be, intraday or on day 2, where day 1 is the date payment is taken before the agreed end of day, to ensure that revenue is paid over in accordance with the Contracting Authority's agreed settlement date and time.
- 6.4 The Supplier shall ensure each Contracting Authority receives Gross value of all Alternative Payment Methods in accordance with its chosen settlement day and time.
- 6.5 The Supplier shall provide Contracting Authorities with standard terms of 30 days for settlement of Gross fees and charges, with the Supplier offering prompt payment discounts for earlier settlement by, but not limited to these settlement methods:
  - 6.5.1 Bankers Automated Clearing Services (BACS);
  - 6.5.2 Clearing House Automated Payments System (CHAPS);
  - 6.5.3 DD;
  - 6.5.4 Faster payment.
- 6.6 The Supplier shall provide a discount, or improvement on pricing, for Contracting Authorities who may wish to take advantage of a reduction in fees by settling their Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services invoice within the following settlement periods:
  - 6.6.1 1 day;
  - 6.6.2 2 days;
  - 6.6.3 7 days;
  - 6.6.4 14 days;
  - 6.6.5 21 days;
  - 6.6.6 28 days.
- 6.7 If a Contracting Authority submits a Gross payment file to the Supplier, the Supplier shall acknowledge receipt and shall confirm the number of transactions and total Gross value of the file.
- 6.8 The Supplier shall ensure that there is no Netting Off of monies to or from the Contracting Authorities' bank account(s), to enable the Contracting Authorities to see all receipts coming in and all Refunds going out as distinct Transactions and not a composite figure.

## **7 FOREIGN CURRENCY TRANSACTIONS**

- 7.1 Where required, the Supplier shall provide Contracting Authorities with Dynamic Currency Conversion or equivalent.
- 7.2 Where required, the Supplier shall provide Contracting Authorities with the capability to transact in a wide range of currencies available from the currency markets, with settlement into different specified bank accounts for each MID, TID or unique identifier.

## **8 REFUNDS, REVERSALS and CHARGEBACKS**

- 8.1 Where a Chargeback or Refund is applied, the Supplier shall ensure that Contracting Authorities are not charged more than £0.01 plus the cost to process the original payment or more than any regulated Chargeback fee.
- 8.2 Where required, the Supplier shall provide the Contracting Authorities with the capability to process bulk Refunds using an electronic file upload.
- 8.3 The Supplier shall provide the Contracting Authorities with a well-documented real time HTTPS API and web-based interface to initiate Refunds for any given Transaction to provide a smooth integration with a Contracting Authority's case management system.
- 8.4 The Supplier shall provide the Contracting Authorities with a Refund report including any information required by a Contracting Authority to execute a full or partial reverse or Refund of a Transaction easily, promptly and to the original payment method.
- 8.5 The Supplier shall provide Contracting Authorities with the information required to manage Chargeback occurrences, including, but not limited to:
  - 8.5.1 Cardholder Present: POS terminals;
  - 8.5.2 Cardholder Not Present, including any telephone payments;
  - 8.5.3 Online Transactions;
  - 8.5.4 Fraudulent Transactions.
- 8.6 The Supplier shall provide a complete audit trail to enable Contracting Authorities to identify individual payments so all Chargebacks and Refunds can be returned to the original payment.
- 8.7 When a Chargeback is authorised, the Supplier shall notify the Contracting Authority and separately debit the Contracting Authority's designated bank account for each individual Chargeback event. Each Chargeback shall be detailed with the DD mandate reference and the Contracting Authority's Transaction description reference within the BACS file provided to the Contracting Authority.
- 8.8 The Supplier shall provide Contracting Authorities with any information that is required by the Contracting Authorities to respond to requests for information (RFIs), for Chargebacks and dispute resolution. The Supplier shall work with the Contracting Authorities as required to resolve any issues or queries satisfactorily in accordance with the various Card Scheme rules and Contracting Authorities' Service Levels.

8.9 The Contracting Authorities shall have a minimum of 14 working days from the time of receipt of an enquiry, to investigate and respond to enquiries and the Supplier shall work with the Contracting Authorities as required to ensure a satisfactory resolution to enquiries relating to, but not limited to:

- 8.9.1 Referrals;
- 8.9.2 Refunds;
- 8.9.3 Errors;
- 8.9.4 Fraud.

## **9 REPORTING and INVOICING**

9.1 The Supplier shall ensure Contracting Authorities can securely access any provided reporting, electronic billing and invoices by, but not limited to:

- 9.1.1 HTTPS API;
- 9.1.2 Secure File Transfer Protocol (SFTP);
- 9.1.3 Secure email.

9.2 The Supplier shall ensure that if an online system to manage Transaction data is provided to Contracting Authorities, it has no limitations on the volumes of data that can be downloaded, so the Contracting Authorities can download the information they require.

9.3 The Supplier shall ensure that if an online system to download a report is provided to Contracting Authorities, the maximum number of Transactions that can be included on any one download shall be agreed with each Contracting Authority.

9.4 The Supplier shall provide Contracting Authorities with the facility to produce, download and export statements and reports so the Contracting Authorities can manage their payment processes in formats including, but not limited to:

- 9.4.1 Excel;
- 9.4.2 Comma Separated Values (CSV);
- 9.4.3 Space delimited;
- 9.4.4 Comma delimited;
- 9.4.5 Text format.

9.5 The Supplier shall provide Contracting Authorities with payment data and the facility to produce, download and export statements and reports so the Contracting Authorities can manage their payment processes. The statements and reports shall contain, but shall not be limited to, the following:

- 9.5.1 CID;
- 9.5.2 MID;
- 9.5.3 TID;
- 9.5.4 Unique identifier(s);
- 9.5.5 Contracting Authority Payer identifier;
- 9.5.6 Contracting Authority Transaction description reference;

- 9.5.7 Payer Transaction description reference;
- 9.5.8 Reason code;
- 9.5.9 Amount of payments;
- 9.5.10 Amount of Refunds;
- 9.5.11 Posting date;
- 9.5.12 Transaction date;
- 9.5.13 Description of Transaction;
- 9.5.14 Full reference information provided by the Payer;
- 9.5.15 Currencies;
- 9.5.16 Time (hours:minutes:seconds:milliseconds);
- 9.5.17 Gross value;
- 9.5.18 Value Added Tax (VAT).

9.6 The Supplier shall provide Contracting Authorities with a report of processed Transactions, in each Contracting Authority's chosen format (from a variety of common banking industry payment files such as SWIFT, BAI, .csv, xml), and online access through a web-based management interface and well-documented synchronous HTTPS API to enable Contracting Authorities to update their accounting and cash management systems, and to provide the capability to search for individual Transactions or groups of Transactions by, but not limited to, the following fields:

- 9.6.1 Individual Payer;
- 9.6.2 Items/services purchased;
- 9.6.3 Contracting Authority Payer identifier;
- 9.6.4 CID;
- 9.6.5 MID;
- 9.6.6 TID;
- 9.6.7 Unique identifier(s);
- 9.6.8 Date;
- 9.6.9 Time (hours:minutes:seconds:milliseconds);
- 9.6.10 Transaction value of each Transaction processed on each terminal or through the Payment Gateway Services within the period;
- 9.6.11 Type of payment made;
- 9.6.12 Transaction type;
- 9.6.13 Card type;
- 9.6.14 Contracting Authority Transaction description reference;
- 9.6.15 Payer Transaction description reference;
- 9.6.16 Final total of Transactions at each terminal or through the Payment Gateway Services with the merchant reference number shown alongside;
- 9.6.17 Overall monthly totals for the number and value of the Transactions taken at each MID and TID;
- 9.6.18 Total value of payments taken by card type at each individual location;
- 9.6.19 Total number and value of card and Alternative Payment Method Transactions processed in the period by each terminal or through the Payment Gateway Services;
- 9.6.20 Total value of any related service charge raised;
- 9.6.21 VAT.

9.7 The Supplier shall ensure that common banking industry payment files (SWIFT, BAI, .csv, xml) provided to Contracting Authorities are Gross value and compatible with the Contracting Authorities' financial systems. These payment files shall contain the Contracting Authorities' specific requirements including, but not limited to, time of

receipt, and shall provide a true and accurate real-time picture of the Contracting Authorities' payments and receipts.

9.8 The Supplier shall provide the Contracting Authority with an end of day report which shall include, but shall not be limited to, the following fields:

- 9.8.1 Individual Payer;
- 9.8.2 Items/services purchased by Payer;
- 9.8.3 Currency of payment;
- 9.8.4 Payment value made (and for which items/services);
- 9.8.5 Date of payment;
- 9.8.6 Time of payment (hours:minutes:seconds:milliseconds).

9.9 The Supplier shall provide Contracting Authorities with a report, or the facility to produce a report for download and export, that contains the details of all Chargebacks and Refunds. The report shall contain the fields shown on the original payment, including, but not limited to:

- 9.9.1 MID;
- 9.9.2 TID;
- 9.9.3 Unique identifier(s);
- 9.9.4 Name;
- 9.9.5 Transaction date;
- 9.9.6 Posting date;
- 9.9.7 Time (hours:minutes:seconds:milliseconds);
- 9.9.8 CID;
- 9.9.9 Contracting Authority Payer identifier;
- 9.9.10 Contracting Authority Transaction description reference;
- 9.9.11 Amount;
- 9.9.12 Currency;
- 9.9.13 Payer Transaction description reference;
- 9.9.14 Reason code;
- 9.9.15 Authorisation code;
- 9.9.16 Specific Supplier reference if used.

9.10 Where a specific reference is used by the Supplier for Refunds or Chargebacks to be made, this shall be provided to the Contracting Authorities and shall be available within all settlement and Management Information reports and files.

9.11 The Supplier shall ensure Contracting Authorities are able to produce a daily print out or account of all transactions made using POS, MPOS or equivalent equipment.

9.12 The Supplier shall provide Contracting Authorities with payment files, in their specified file type from current common banking industry payment files (SWIFT, BAI, .csv, xml), and online access to a reporting system with the functionality to select and export on reporting parameters. This shall enable Contracting Authorities to produce daily, monthly, annual and ad hoc reports, statements and summaries, containing card and Alternative Payment Methods payments for each individual Transaction, to manage

income and maintain an audit trail, current and up to date accounting and cash management systems. The files required shall include, but shall not be limited to, the following fields:

- 9.12.1 Settlement date;
- 9.12.2 Bank account number;
- 9.12.3 Data for each Contracting Authority identifier custom and unique identifier;
- 9.12.4 CID;
- 9.12.5 Unique identifier(s);
- 9.12.6 Each MID;
- 9.12.7 Each TID;
- 9.12.8 Posting date,
- 9.12.9 Transaction date;
- 9.12.10 Transaction type;
- 9.12.11 Payment type;
- 9.12.12 Opening ledger balance;
- 9.12.13 Current closing balance;
- 9.12.14 Opening available balance;
- 9.12.15 Credit count;
- 9.12.16 Debit count;
- 9.12.17 Total debit amount;
- 9.12.18 Total credit amount;
- 9.12.19 Time (hours:minutes:seconds:milliseconds);
- 9.12.20 Value of each Transaction processed on each terminal or through the Payment Gateway Services within the period;
- 9.12.21 Final Gross total of Transactions at each terminal or made through the Payment Gateway Services with the merchant reference number shown alongside;
- 9.12.22 Overall monthly Gross totals for the number and value of the Transactions taken at each MID,TID and unique identifier;
- 9.12.23 Total value of payments taken by card and Alternative Payment Method type at each geographic location;
- 9.12.24 Total number and value of card and Alternative Payment Method Transactions processed in a given period by each imprinter, Terminal or through the Payment Gateway Services;
- 9.12.25 Total value of any related service charge raised for any given period;
- 9.12.26 Individual Payer;
- 9.12.27 Items/services purchased.

9.13 The Supplier shall provide an accurate invoice in Gross GBP Sterling to Contracting Authorities in their choice of paper or electronic invoice. Where an electronic invoice is provided, this shall be in the Contracting Authority's chosen format from a variety of common banking industry payment files (SWIFT, BAI, .csv, xml) with a full breakdown of any fees and charges including, but not limited to, line item detail for:

- 9.13.1 Payment type;
- 9.13.2 Payment charges.

9.14 The Supplier shall provide Contracting Authorities with Gross value invoices or electronic invoices containing the Contracting Authorities' specific requirements, including, but not limited to:

- 9.14.1 Purchase Order reference as supplied by the Contracting Authorities where applicable;
- 9.14.2 CID;
- 9.14.3 MID;
- 9.14.4 TID;
- 9.14.5 Unique identifier(s);
- 9.14.6 Individual Transaction;
- 9.14.7 Location;
- 9.14.8 Volume of Transactions;
- 9.14.9 Value of Transactions;
- 9.14.10 Currency breakdown;
- 9.14.11 Gross value;
- 9.14.12 VAT.

9.15 The Supplier shall provide Contracting Authorities with online access to a report providing a full breakdown of the Contracting Authorities' Gross payments, and a separate report providing a full breakdown of the Contracting Authorities' Gross Refunds, on Day 2 by 07.00 hours GMT, or issued by secure email in an electronic format, including, but not limited to, xml and .csv or SFTP, by 07.00 hours GMT on Day 2, detailing all the previous day's Transactions processed before the Contracting Authorities agreed end of day cut offs.

9.16 The Supplier shall provide Contracting Authorities with a report, or the facility to produce a report for download and export, containing all key Transactions-related data, including references applicable to the Supplier and the Contracting Authority.

9.17 The Supplier shall provide Contracting Authorities with access to an online system to provide real-time access to view all card/Alternative Payment Method Transactions, including, but not limited to:

- 9.17.1 Contracting Authority Payer identifier;
- 9.17.2 Contracting Authority Transaction description reference;
- 9.17.3 Payer Transaction description reference;
- 9.17.4 Unique identifier(s);
- 9.17.5 CID;
- 9.17.6 MID;
- 9.17.7 TID;
- 9.17.8 Amount;
- 9.17.9 Time (hours:minutes:seconds:milliseconds);
- 9.17.10 Currency;
- 9.17.11 Payment method;
- 9.17.12 Reason code;
- 9.17.13 Authorisation code;
- 9.17.14 Specific Supplier Transaction description reference if used;

9.17.15 Details of all Refunds and Chargebacks.

- 9.18 The Supplier shall provide the Gross position to Contracting Authorities with the capability for charges, credits (negative settlements) and Chargebacks to be debited from different bank accounts at unique identifier, MID or TID level or across a group of MIDs or TIDs.
- 9.19 The Supplier shall ensure that Contracting Authorities are able to obtain, at any time, an accurate real-time view of their Merchant Acquiring Services and Payment Gateway Services payments.
- 9.20 The Supplier shall ensure that any online reporting system provided to Contracting Authorities does not limit the number and type of reports that can be generated and/or downloaded in any given period or limit the number of times the Transaction status can be queried via a web interface or API.
- 9.21 The Supplier shall agree with Contracting Authorities the maximum number of Transactions that can be included on any one report. These thresholds shall be able to cope with all volumes of Transactions, including peak processing periods, with a tolerance of a minimum of 10% above the anticipated volumes. The facility to change these thresholds shall be provided and the changes shall be actioned within agreed timescales, including at least one calendar month in advance of any peak processing period.
- 9.22 The Supplier shall provide Contracting Authorities with data containing the relevant fields and information for the Contracting Authorities' ERP, P2P and finance systems in order that the data can be uploaded into the Contracting Authorities' ERP, P2P and finance systems, including, but not limited to:
- 9.22.1 Sims Financial Management;
  - 9.22.2 Civica Resource Financials;
  - 9.22.3 PS Financials;
  - 9.22.4 Fiserv Accurate;
  - 9.22.5 Sage;
  - 9.22.6 SAP;
  - 9.22.7 Oracle;
  - 9.22.8 CODA;
  - 9.22.9 Agresso.
- 9.23 The Supplier shall provide Contracting Authorities with online access to a report, or shall provide a report in accordance with the Contracting Authorities' delivery methods and frequencies, with details including, but not limited to:
- 9.23.1 Lost Transactions;
  - 9.23.2 Abandoned Transactions;

- 9.23.3 Drop offs;
- 9.23.4 Refused Transactions;
- 9.23.5 Reloading information.

## **10 BUSINESS CONTINUITY**

- 10.1 The Supplier shall ensure that in the event of failure in part of the Supplier's Merchant Acquiring Services and/or Merchant Acquiring Equipment and/or Payment Gateway Services, the Supplier shall maintain failover capacity and data storage processes to effect a failover or disaster recovery operation.
- 10.2 The Supplier shall ensure a robust business continuity and disaster recovery plan is in place for all Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services and shall be able to demonstrate disaster recovery to ensure continuity of the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services without loss, as and when required by the Authority or a Contracting Authority.
- 10.3 The Supplier shall ensure that, in the event of disaster recovery, connectivity with the Contracting Authorities' sites and the availability of the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services is maintained.
- 10.4 The Supplier shall provide a copy of its business continuity and disaster recovery plan to the Authority upon the Framework Commencement Date.

## **11 AUTHORITY REQUIREMENTS**

- 11.1 The Supplier shall provide dedicated expert technical consultancy, free of charge, to work with the Authority and the Contracting Authorities to support the government's strategy to improve its capabilities in the area of electronic purchasing and payment, and to encourage and assist Contracting Authorities to move away from traditional payment acceptance methods (cash/cheque) where appropriate, and move towards greater use of new technology that can be utilised to increase receipts through Merchant Acquiring Services and Payment Gateway Services.
- 11.2 If applicable, the Supplier is required to provide the Authority with a copy of its Supplier Agreement on the commencement date of the Framework Agreement.
- 11.3 The Supplier shall price all of the Contracting Authorities' transactional volume and turnover on a continuous basis, without resetting volumes at the start of each call-off contractual year.

## **12 FRAUD AND RISK MANAGEMENT**

- 12.1 The Supplier shall ensure that all payments received by Contracting Authorities are validated to ensure that the payment is not fraudulent.

- 12.2 The Supplier shall agree a process with Contracting Authorities for communicating via telephone, with an agreed telephone authentication process to ensure that all calls made are from genuine employees of the Contracting Authority and Supplier, who have been approved to speak with the other party.
- 12.3 The Supplier shall provide Contracting Authorities with current lists of fraudulent and stolen cards that can be used by Contracting Authorities to block the use of fraudulent and stolen cards.
- 12.4 The Supplier shall provide the Authority with detailed information and standards on how fraud and risk assessment and management is and shall be managed by the Supplier for Contracting Authorities.
- 12.5 The Supplier shall provide Contracting Authorities with risk management tools to use where the risk profile of the Payer's or originating payment Country warrants additional checking.
- 12.6 The Supplier shall provide a web-based interface and a well-documented synchronous HTTPS API to enable Contracting Authorities to query the current status of any Transaction based on a Contracting Authority's unique or custom identifiers for that Transaction, in order that the Contracting Authority can retrieve up to date details of Transactions whose status may have changed.
- 12.7 The Supplier shall provide a mechanism (via a web-based interface and synchronous HTTPS API) for Contracting Authorities to ensure that a Transaction that the Supplier has marked as potentially fraudulent be processed as normal, with the Contracting Authority thereby assuming any risk related to that Transaction.
- 12.8 The Supplier shall provide a mechanism (via a web-based interface and synchronous HTTPS API) for Contracting Authorities to mark a Transaction as fraudulent and halt any further processing of it so that the Contracting Authority can bring to bear any information it receives about its Transaction from its other monitoring systems.
- 12.9 Where a Transaction is flagged or rejected as the result of suspected fraud or money laundering, the Supplier shall ensure any API responses and reports to the Contracting Authorities indicate the Transaction has been flagged or rejected and there shall be a way to see the full reasoning immediately after a decision is made, via API requests for details of that Transaction and in any administrative web interface provided.
- 12.10 The Supplier shall work with Contracting Authorities to implement effective risk assessment and management strategies to detect and reduce fraud and money laundering on Transactions that include but shall not be limited to:
  - 12.10.1 Card transactions in a 3D Secure environment;
  - 12.10.2 Card transactions in a non 3D Secure environment;
  - 12.10.3 Card transactions and CVV data in 3D Secure environment;
  - 12.10.4 Card transactions and CVV in a non 3D Secure environment.
- 12.11 The Supplier shall provide the Authority and the Contracting Authority with a facility to measure and identify fraudulent transactions in order to answer any Freedom of Information Act (FOIA) requests.

### 13. CUSTOMER SERVICE AND SUPPORT

13.1 The Supplier shall provide support to the Contracting Authorities within an agreed timetable, and including, but not limited to:

- 13.1.1 Set-up of MIDs;
- 13.1.2 Set-up of TIDs;
- 13.1.3 Set-up of unique identifiers;
- 13.1.4 Adding to existing MIDs, TIDs and unique identifiers, as required;
- 13.1.5 Payment Gateway Services;
- 13.1.6 Interfacing with web pages;
- 13.1.7 Supply of hardwired PDQ Terminals (including Contactless);
- 13.1.8 Supply of wireless PDQ Terminals (including Contactless);
- 13.1.9 Supply of Bluetooth PDQ Terminals (including Contactless);
- 13.1.10 Electronic PDQ Terminals (including Contactless);
- 13.1.11 Data transmission to the Supplier;
- 13.1.12 Interfacing with car parking payment machines;
- 13.1.13 Interfacing with varying front and back end technology;
- 13.1.14 Interfacing with contactless alternatives;
- 13.1.15 Alternative card charging mechanisms;
- 13.1.16 Fraud minimisation;
- 13.1.17 Risk management systems;
- 13.1.18 Incident management;
- 13.1.19 Reporting files and systems;
- 13.1.20 Changes in card rates;
- 13.1.21 Chargebacks;
- 13.1.22 Information on changes in legislation affecting the Merchant Acquiring Services and Payment Gateway Services;
- 13.1.23 24/7/365(6) technical support and incident management;
- 13.1.24 Interaction and support with third party suppliers;
- 13.1.25 Helping a Payer make and complete a payment;
- 13.1.26 Help prevent identified individual Payers from making payments;
- 13.1.27 Help to find details of payments made by individual Payers;
- 13.1.28 Items/services purchased.

13.2 The Supplier shall provide Contracting Authorities with the following support and services for POS and MPOS terminals, or equivalent, and manual imprinters:

- 13.2.1 Advice on the most suitable terminal for a particular site;
- 13.2.2 Provision of POS, MPOS or equivalent terminals within times as agreed with the Contracting Authorities;
- 13.2.3 Maintenance of POS, MPOS or equivalent;
- 13.2.4 A same-day call-out service for defective POS, MPOS or equivalent terminals;
- 13.2.5 In the event that the MPOS, POS or equivalent terminals cannot be repaired during an initial repair call-out visit or within an agreed timetable with the Contracting Authorities, loan or replacement Merchant Acquiring Equipment must be provided at no additional cost;
- 13.2.6 Provision of Sales Vouchers and related stationery for manual imprinters;
- 13.2.7 A dedicated customer and technical helpdesk for in and out-of-hours telephone or email queries/issues.

- 13.3 The Supplier shall provide the Contracting Authorities with a dedicated customer and technical helpdesk 24hours/7days/365(6) with calls answered by a customer service representative for, but not limited to:
- 13.3.1 Incidents;
  - 13.3.2 Problems;
  - 13.3.3 Alerts;
  - 13.3.4 Account queries;
  - 13.3.5 Invoice queries;
  - 13.3.6 Payer queries;
  - 13.3.7 Merchant Acquiring Services;
  - 13.3.8 Merchant Acquiring Equipment;
  - 13.3.9 Payment Gateway Services;
  - 13.3.10 Software;
  - 13.3.11 Hardware;
- 13.4 The Supplier shall ensure that all invoices and account payment queries received from Contracting Authorities are resolved in accordance with the Contracting Authorities' agreed Service Levels.
- 13.5 The Supplier shall ensure that if the Contracting Authorities changes Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services provider they shall support the Contracting Authorities in in order that operational change is efficient and Payer Transactions can occur uninterrupted and are all reconciled and settled.
- 13.6 The Supplier shall provide a named account manager for all accounts processing 1million Transactions per annum and above. Where the account is less than 1million Transactions, account management shall be appropriate to the size of the Contracting Authority's specific requirements and strategic nature of the Contracting Authority.
- 13.7 The Supplier shall provide Contracting Authorities with a dedicated customer service team for queries in order to ensure effective running of the Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services.

## **14. TRAINING**

- 14.1 The Supplier shall provide initial and on-going training free of charge to the Authority and Contracting Authorities on how to use the Merchant Acquiring Services, Merchant Acquiring Equipment, and Payment Gateway Services, including any management tools, and shall provide updated guidance documents as and when required, free of charge, to the Authority and the Contracting Authorities.
- 14.2 As and when required, the Supplier shall provide the Contracting Authorities with free training on the use of any of the Merchant Acquiring Services, Merchant Acquiring Equipment, and Payment Gateway Services implemented by the Contracting Authorities, including e-training for the Contracting Authorities' Merchant Acquiring Services and Payment Gateway Services users in the UK and abroad.

## **15. TESTING**

- 15.1 The Supplier shall provide a sandbox environment for the Contracting Authorities to allow for production-like testing of integrations, including the use of any identifiers that are in use for the production environment and allowance for penetration testing to verify the end-to-end security of the integrated service.
- 15.2 The Supplier shall provide a facility, whether in the normal testing sandbox environment or another replica environment for the Contracting Authorities to run realistic performance and capacity testing to allow the Contracting Authorities to prepare before launching a new service and/or before a period of peak demand.

## **16. TRANSACTION MONITORING**

- 16.1 The Supplier shall provide the Contracting Authorities with the functionality to monitor availability, completion rates and Transactions timings.
- 16.2 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services that will enable Contracting Authorities to monitor and assess the associated risk of each Transaction.
- 16.3 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services with the ability to define values and weighting of risk scores for data items within every transaction.
- 16.4 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services with the ability to vary the relative weight of risk to be applied to a given constituent part of a Transaction.
- 16.5 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services that shall score the relative risk of every Transaction based on scores derived from assessment of the constituent parts of a given Transaction and across multiple Transactions within one, many and/or all of a Contracting Authority's accounts.
- 16.6 The Supplier shall provide Contracting Authorities with Transaction monitoring and risk assessment services that shall be able to influence the Acceptance Thresholds for Transactions.
- 16.7 The Supplier shall alert the Contracting Authorities to suspicious patterns of activity in one or more Transactions, occurring across within one, many and/or all of a Contracting Authority's accounts.
- 16.8 The Supplier shall provide Contracting Authorities with management reporting functionality which includes the ability to report on Transaction monitoring events across within one, many and/or all of a Contracting Authority's accounts.

- 16.9 The Supplier shall provide Contracting Authorities with the option to manage the Transaction monitoring services via a console interface hosted by the Supplier and remotely accessible to the Contracting Authority.
- 16.10 The Supplier shall provide Contracting Authorities with remote access to the functions of the Transaction monitoring service for consumption within locally held Transaction monitoring platforms including, but not limited to:
- 16.10.1 Report out in real time;
  - 16.10.2 Alerts;
  - 16.10.3 Associated contextual meta data;
  - 16.10.4 Unique device identifier(s).
- 16.11 The Supplier shall provide Contracting Authorities with the functionality to update values and weighting from locally held automated risk assessment and monitoring systems and/or dynamically update risk scores.
- 16.12 The Supplier shall provide the capability to update and manage the Contracting Authorities' Watch Lists with shared fraud data derived from third parties, including but not limited to:
- 16.12.1 Other merchant acquirers;
  - 16.12.2 Shared financial intelligence sources;
  - 16.12.3 Other Government departments.
- 16.13 Where Watch Lists and shared fraud data is provided, the Supplier shall provide the Contracting Authorities with contextual information indicating the source of the intelligence and reason for inclusion.
- 16.14 The Supplier shall provide Contracting Authorities with incident reporting and enable investigation with real-time lookup, research and export of selected data sets relevant to a specific event or events across within one, many and/or all of a Contracting Authority's accounts.
- 16.15 The Supplier shall work with Contracting Authorities to reduce fraud and ensure they take steps to reduce the incidents of fraud and/or money laundering via their Merchant Acquiring Services, Merchant Acquiring Equipment and Payment Gateway Services.
- 16.16 Where the Supplier detects unusual patterns of activity that might indicate malicious activities, for example, a spike in numbers of potentially fraudulent Transactions or attempts at denial of service attacks, the Supplier shall inform the Contracting Authority's designated security contact as soon as possible and within no more than 4 hours.

16.17 Where required and provided, the Supplier shall allow Contracting Authorities to subscribe to an appropriately secured real-time feed of Transaction status information to receive updates, including, but not limited to:

16.17.1 Transactions processed;

16.17.2 Transactions scored for fraud.

## PART B – KEY PERFORMANCE INDICATORS

### 1. GENERAL

- 1.1 The purpose of this Part B is to set out the KPIs by which the Supplier’s overall performance under this Framework Agreement shall be monitored and managed. The Authority reserves the right to adjust, introduce new, or remove KPIs throughout the Framework Period, however any significant changes to KPIs shall be agreed between the Authority and the Supplier in accordance with Clause 19.1 (Variation Procedure).
- 1.2 The Supplier shall comply with all its obligations related to KPIs set out in this Framework Agreement including Framework Schedule 8 (Framework Management) and shall use all reasonable endeavours to meet the KPI Targets identified in the table below.
- 1.3 The KPIs from which performance by the Supplier of this Framework Agreement will be reported against are set out below:

Key Performance Indicator (KPI)	KPI Target	Measured by
<b>1. FRAMEWORK MANAGEMENT</b>		
1.1 MI returns: All MI returns to be returned to CCS by the 5 <sup>th</sup> Working Day of each month	100%	Confirmation of receipt and time of receipt by the Authority (as evidenced within the Authority’s data warehouse (MISO) system)
1.2 All undisputed invoices to be paid within 30 calendar days of issue	100%	Confirmation of receipt and time of receipt by the Authority (as evidenced within the Authority’s CODA system)
1.3 Supplier self-audit certificate to be issued to the Authority in accordance with the Framework Agreement	100%	Confirmation of receipt and time of receipt by the Authority
1.4 Actions identified in an Audit Report to be delivered by the dates set out in the Audit Report	100%	Confirmation by the Authority of completion of the actions by the dates identified in the Audit Report
<b>2. OPERATIONAL EFFICIENCY/PRICE SAVINGS</b>		
2.1 The Supplier to deliver against the Supplier Action Plan to derive further cost savings over the	100%	Confirmation by the Authority of the cost savings achieved by the dates identified in the Supplier Action Plan

Framework Period via continuous improvement and innovation		
<b>3. DEMAND MANAGEMENT SAVINGS</b>		
3.1 The Supplier to deliver against the Supplier Action Plan to derive further cost savings over the Framework Period continuous improvement and innovation	100%	Confirmation by the Authority of the cost savings achieved by the dates identified in the Supplier Action Plan
<b>4. CUSTOMER SATISFACTION</b>		
4.1 Services to be provided under Call Off Agreements to the satisfaction of Contracting Authorities	90%	Confirmation by the Authority of the Supplier's performance against customer satisfaction surveys.

## FRAMEWORK SCHEDULE 3: FRAMEWORK PRICES AND CHARGING STRUCTURE

### 1. DEFINITIONS

1.1 The following terms used in this Framework Schedule 3 shall have the following meanings:

**“Review Adjustment Date”** means the effective date for the proposed increase in the relevant Framework Prices.

### 2. GENERAL PROVISIONS

2.1 The Framework Prices set out in Annex 1 to this Framework Schedule 3 are the maximum that the Supplier may charge pursuant to any Call Off Agreement.

2.2 The Supplier acknowledges and agrees that any prices submitted in relation to a further competition held in accordance with Framework Schedule 5 (Call Off Procedure) shall be equal to or lower than the Framework Prices.

2.3 The Supplier acknowledges and agrees that, subject to paragraph 4 of this Framework Schedule 3 (Adjustment of the Framework Prices), the Framework Prices cannot be increased during the Framework Period.

### 3. COSTS AND EXPENSES

3.1 The Framework Prices shall include all costs and expenses relating to the Services provided to Contracting Authorities and/or the Supplier’s performance of its obligations under any Call Off Agreements and no further amounts shall be payable by a Contracting Authority to the Supplier in respect of such performance, including in respect of matters such as:

3.1.1 any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs required by the Supplier Personnel, network or data interchange costs or other telecommunications charges; or

3.1.2 any amount for any services provided or costs incurred by the Supplier prior to the commencement date of any Call Off Agreement.

### 4. ADJUSTMENT OF THE FRAMEWORK PRICES

4.1 The Framework Prices shall only be varied:

4.1.1 due to a Specific Change in Law in relation to which the Parties agree that a change is required to all or part of the Framework Prices in accordance with Clause 19.2 of this Framework Agreement (Legislative Change);

4.1.2 due to an Interchange And / Or Card Scheme Fees Change which the Parties agree means a change is required to all or part of the Framework Prices in accordance with clause 19.3 of this Framework Agreement (Interchange And / Or Card Scheme Fees Change).

- 4.1.3 where all or part of the Framework Prices are reviewed and reduced in accordance with Framework Schedule 12 (Continuous Improvement and Benchmarking);
  - 4.1.4 where all or part of the Framework Prices are reviewed and reduced in accordance with paragraph 5 of this Framework Schedule 3 (Supplier Periodic Assessment of Framework Prices); or
  - 4.1.5 where a review and increase of Framework Prices is requested by the Supplier and Approved, in accordance with the provisions of paragraph 6 of this Framework Schedule 3 (Supplier Request For Increase Of The Framework Prices).
- 4.2 Subject to paragraphs 4.1.1 to 4.1.4 of this Framework Schedule, the Framework Prices will remain fixed for the Initial Framework Period.

## **5. SUPPLIER PERIODIC ASSESSMENT OF FRAMEWORK PRICES**

- 5.1 Every six (6) Months during the Framework Period, the Supplier shall assess the level of the Framework Prices to consider whether it is able to reduce them.
- 5.2 Such assessments by the Supplier under paragraph 5.1 shall be carried out on 1 May and 1 December in each Contract Year (or in the event that such dates do not, in any Contract Year, fall on a Working Day, on the next Working Day following such dates). To the extent that the Supplier is able to decrease all or part of the Framework Prices it shall promptly notify the Authority in writing and such reduction shall be implemented in accordance with paragraph 7.1.4 below.

## **6. SUPPLIER REQUEST FOR INCREASE OF THE FRAMEWORK PRICES**

- 6.1 The Supplier may request an increase in all or part of the Framework Prices in accordance with the remaining provisions of this paragraph 6 subject always to:
  - 6.1.1 the Supplier's request being submitted in writing at least three (3) Months before the effective date for the proposed increase in the relevant Framework Prices ("**Review Adjustment Date**") which shall be subject to paragraph 6.2; and
  - 6.1.2 the Approval of the Authority which shall be granted in the Authority's sole discretion.
- 6.2 The earliest Review Adjustment Date will be the first (1st) Working Day following the second (2nd) anniversary of the Framework Commencement Date. Thereafter any subsequent increase to any of the Framework Prices in accordance with this paragraph 6 shall not occur before the anniversary of the previous Review Adjustment Date during the Framework Period.
- 6.3 To make a request for an increase in some or all of the Framework Prices in accordance with this paragraph 6, the Supplier shall provide the Authority with:
  - 6.3.1 a list of the Framework Prices it wishes to review;
  - 6.3.2 for each of the Framework Prices under review, written evidence of the justification for the requested increase including:
    - (a) a breakdown of the profit and cost components that comprise the relevant Framework Price;
    - (b) details of the movement in the different identified cost components of the relevant Framework Price;

- (c) reasons for the movement in the different identified cost components of the relevant Framework Price;
- (d) evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
- (e) evidence that the Supplier's profit component of the relevant Framework Price is no greater than that applying to Framework Prices using the same pricing mechanism as at the Framework Commencement Date.

## **7. IMPLEMENTATION OF ADJUSTED FRAMEWORK PRICES**

7.1 Variations in accordance with the provisions of this Framework Schedule 3 to all or part the Framework Prices (as the case may be) shall be made by the Authority to take effect:

- 7.1.1 in accordance with Clause 19.2 (Legislative Change) where an adjustment to the Framework Prices is made in accordance with paragraph 4.1.1 of this Framework Schedule; or
- 7.1.2 in accordance with Clause 19.3 (Interchange Fee And / Or Card Scheme Fees Change) where an adjustment to the Framework Prices is made in accordance with paragraph 4.1.2 of this Framework Schedule; or
- 7.1.3 in accordance with paragraph 3.3.3 and 4.8 of Framework Schedule 12 (Continuous Improvement and Benchmarking) where an adjustment to the Framework Prices is made in accordance with paragraph 4.1.3 of this Framework Schedule 3; or
- 7.1.4 on 1 June for assessments made on 1 May and on 1 January for assessments made on 1 December where an adjustment to the Framework Prices is made in accordance with paragraph 4.1.4 of this Framework Schedule 3 ; or
- 7.1.5 on the Review Adjustment Date where an adjustment to the Framework Prices is made in accordance with paragraph 4.1.5 of this Framework Schedule 3

and the Parties shall amend the Framework Prices shown in Annex 1 to this Framework Schedule 3 to reflect such variations.

## **8. CHARGES UNDER CALL OFF AGREEMENTS**

8.1 Except for changes to Framework Prices made in accordance with paragraph 4.1.2 of this Framework Schedule 3 where changes at Framework level will automatically apply to Call Off Agreements, for the avoidance of doubt any other change to the Framework Prices implemented pursuant to this Framework Schedule 3 are made independently of, and, subject always to paragraphs 2.1 and 2.2 of this Framework Schedule 3, shall not affect the Charges payable by a Contracting Authority under a Call Off Agreement in force at the time a change to the Framework Prices is implemented.

8.2 Any variation to the Charges payable under a Call Off Agreement must be agreed between the Supplier and the relevant Contracting Authority and implemented in accordance with the provisions applicable to the Call Off Agreement.

## **9. E-COMMERCE TRANSACTIONS WITH CENTRAL GOVERNMENT BODIES**

9.1 The Supplier acknowledges and agrees that the Government's wide strategy of 'Digital by Default' (<https://www.gov.uk/government/publications/government-digital-strategy>) endorses a commitment to implement e-commerce systems, including, for example,

purchase-to-pay (P2P) automated systems, as the preferred transacting model for all Government's purchasing transactions. The intent is to migrate, wherever practically possible, all Government's purchasing to an e-commerce environment.

- 9.2 The Supplier acknowledges and agrees that when contracting with Central Government Bodies, the latter may use a specific e-commerce application and the Supplier shall be required to comply with the relevant requirements set out by the relevant Central Government Body in their Statement of Requirements during the Further Competition Procedure and/or terms of the relevant Call Off Agreement.

## **ANNEX 1: FRAMEWORK PRICES**

**[REDACTED]**

**FRAMEWORK SCHEDULE 4: TEMPLATE ORDER FORM AND TEMPLATE CALL  
OFF TERMS**

**ANNEX 1: TEMPLATE ORDER FORM**

## **ANNEX 2: TEMPLATE CALL OFF TERMS**

## FRAMEWORK SCHEDULE 5: CALL OFF PROCEDURE

### 1. AWARD PROCEDURE

1.1 If the Authority or any Other Contracting Authority decides to source the Services through this Framework Agreement then it will award its Services Requirements in accordance with the procedure in this Framework Schedule 5 (Call Off Procedure) and the requirements of the Regulations and the Guidance. For the purposes of this Framework Schedule 5, “**Guidance**” shall mean any guidance issued or updated by the UK Government from time to time in relation to the Regulations.

1.2 If a Contracting Authority can determine that:

1.2.1 its Services Requirements can be met by the Framework Suppliers’ catalogues and description of the Services as set out in Framework Schedule 2 (Services and Key Performance Indicators); and

1.2.2 all of the terms of the proposed Call Off Agreement are laid down in this Framework Agreement and the Template Call Off Terms do not require amendment or any supplementary terms and conditions (other than the inclusion of optional provisions already provided for in the Template Call Off Terms);

then the Contracting Authority may award a Call Off Agreement in accordance with the procedure set out in paragraph 2 below.

1.3 If all of the terms of the proposed Call Off Agreement are not laid down in this Framework Agreement and a Contracting Authority:

1.3.1 requires the Supplier to develop proposals or a solution in respect of such Contracting Authority's Services Requirements; and/or

1.3.2 needs to amend or refine the Template Call Off Terms to reflect its Services Requirements to the extent permitted by and in accordance with the Regulations and Guidance;

then the Contracting Authority shall award a Call Off Agreement in accordance with the Further Competition Procedure set out in paragraph 3 below.

### 2. DIRECT ORDERING WITHOUT A FURTHER COMPETITION

2.1 Subject to paragraph 1.2 above any Contracting Authority awarding a Call Off Agreement under this Framework Agreement without holding a further competition shall:

2.1.1 develop a clear Statement of Requirements;

2.1.2 apply the Direct Award Criteria to the original Tender responses for all Suppliers capable of meeting the Statement of Requirements in order to establish which of the Framework Suppliers provides the most economically advantageous solution; and

2.1.3 on the basis set out above, award the Call Off Agreement with the successful Framework Supplier in accordance with paragraph 7 below.

### 3. FURTHER COMPETITION PROCEDURE

### **Contracting Authority's Obligations**

- 3.1 Any Contracting Authority awarding a Call Off Agreement under this Framework Agreement through a Further Competition Procedure shall:
- 3.1.1 develop a Statement of Requirements setting out its requirements for the Services and identify the Framework Suppliers capable of supplying the Services;
  - 3.1.2 amend or refine the Template Call Off Form and Template Call Off Terms to reflect its Services Requirements only to the extent permitted by and in accordance with the requirements of the Regulations and Guidance;
  - 3.1.3 invite tenders by conducting a Further Competition Procedure for its Services Requirements in accordance with the Regulations and Guidance and in particular:
    - (a) if an Electronic Reverse Auction (as defined in paragraph 4 below) is to be held, the Contracting Authority shall notify the Framework Suppliers identified in accordance with paragraph 3.1.1 and shall conduct the Further Competition Procedure in accordance with the procedures set out in paragraph 4.3; or
    - (b) if an Electronic Reverse Auction is not used, the Contracting Authority shall:
      - (i) invite the Framework Suppliers identified in accordance with paragraph 3.1.1 to submit a tender in writing for each proposed Call Off Agreement to be awarded by giving written notice by email to the relevant Supplier Representative of each Framework Supplier;
      - (ii) set a time limit for the receipt by it of the tenders which takes into account factors such as the complexity of the subject matter of the proposed Call Off Agreement and the time needed to submit tenders; and
      - (iii) keep each tender confidential until the time limit set out for the return of tenders has expired.
  - 3.1.4 apply the Further Competition Award Criteria to the Framework Suppliers' compliant tenders submitted through the Further Competition Procedure as the basis of its decision to award a Call Off Agreement for its Services Requirements;
  - 3.1.5 on the basis set out above, award its Call Off Agreement to the successful Framework Supplier in accordance with paragraph 7 which Call Off Agreement shall:
    - (a) state the Services Requirements;
    - (b) state the tender submitted by the successful Framework Supplier;
    - (c) state the charges payable for the Services Requirements in accordance with the tender submitted by the successful Framework Supplier; and
    - (d) incorporate the Template Call Off Form and Template Call Off Terms (as may be amended or refined by the Contracting Authority

in accordance with paragraph 3.1.2 above) applicable to the Services,

- 3.1.6 provide unsuccessful Framework Suppliers with written feedback in relation to the reasons why their tenders were unsuccessful.

### **The Supplier's Obligations**

- 3.2 The Supplier shall in writing, by the time and date specified by the Contracting Authority following an invitation to tender pursuant to paragraph 3.1.3 above, provide the Contracting Authority with either:

3.2.1 a statement to the effect that it does not wish to tender in relation to the relevant Services Requirements; or

3.2.2 the full details of its tender made in respect of the relevant Statement of Requirements. In the event that the Supplier submits such a tender, it should include, as a minimum:

- (a) an email response subject line to comprise unique reference number and Supplier name, so as to clearly identify the Supplier;
- (b) a brief summary, in the email (followed by a confirmation letter), stating that the Supplier is bidding for the Statement of Requirements; and
- (c) a proposal covering the Services Requirements.

3.2.3 The Supplier shall ensure that any prices submitted in relation to a Further Competition Procedure held pursuant to this paragraph 3 shall be based on the Charging Structure and take into account any discount to which the Contracting Authority may be entitled as set out in Framework Schedule 3 (Framework Prices and Charging Structure).

3.2.4 The Supplier agrees that:

- (a) all tenders submitted by the Supplier in relation to a Further Competition Procedure held pursuant to this paragraph 3 shall remain open for acceptance by the Contracting Authority for ninety (90) Working Days (or such other period specified in the invitation to tender issued by the relevant Contracting Authority in accordance with the Call Off Procedure); and
- (b) all tenders submitted by the Supplier are made and will be made in good faith and that the Supplier has not fixed or adjusted and will not fix or adjust the price of the tender by or in accordance with any agreement or arrangement with any other person. The Supplier certifies that it has not and undertakes that it will not:

- (i) communicate to any person other than the person inviting these tenders the amount or approximate amount of the tender, except where the disclosure, in confidence, of the approximate amount of the tender was necessary to obtain quotations required for the preparation of the tender; and
- (ii) enter into any arrangement or agreement with any other person that he or the other person(s) shall refrain from submitting a tender or as to the amount of any tenders to be submitted.

## **4. E-AUCTIONS**

- 4.1 The Contracting Authority shall be entitled to formulate its Statement of Requirements in accordance with paragraph 3 above and invite the Supplier to a Further Competition Procedure including a reverse auction in accordance with the rules laid down by the Contracting Authority and the Regulations.
- 4.2 The Supplier acknowledges that Contracting Authorities may wish to undertake an electronic reverse auction, where Framework Suppliers compete in real time by bidding as the auction unfolds ("**Electronic Reverse Auction**").
- 4.3 Before undertaking an Electronic Reverse Auction, the relevant Contracting Authority will make an initial full evaluation of all tenders received in response to its Statement of Requirements. The Contracting Authority will then invite to the Electronic Reverse Auction only those tenders that are admissible in accordance with the Regulations. The invitation shall be accompanied by the outcome of the full initial evaluation of the relevant tenders.
- 4.4 The Contracting Authority will inform the Framework Suppliers of the specification for the Electronic Reverse Auction which shall include:
  - 4.4.1 the information to be provided at auction, which must be expressed in figures or percentages of the specified quantifiable features;
  - 4.4.2 the mathematical formula to be used to determine automatic ranking of bids on the basis of new prices and/or new values submitted;
  - 4.4.3 any limits on the values which may be submitted;
  - 4.4.4 a description of any information which will be made available to Framework Suppliers in the course of the Electronic Reverse Auction, and when it will be made available to them;
  - 4.4.5 the conditions under which Framework Suppliers will be able to bid and, in particular, the minimum differences which will, where appropriate, be required when bidding;
  - 4.4.6 relevant information concerning the electronic equipment used and the arrangements and technical specification for connection;
  - 4.4.7 subject to paragraph 4.5, the date and time of the start of the Electronic Reverse Auction; and
  - 4.4.8 details of when and how the Electronic Reverse Auction will close.
- 4.5 The Electronic Reverse Auction may not start sooner than two (2) Working Days after the date on which the specification for the Electronic Reverse Auction has been issued.
- 4.6 Throughout each phase of the Electronic Reverse Auction the Contracting Authority will communicate to all Framework Suppliers sufficient information to enable them to ascertain their relative ranking.
- 4.7 The Supplier acknowledges and agrees that:
  - 4.7.1 the Contracting Authority and its officers, servants, agents, group companies, assignees and customers (including the Authority) do not guarantee that its access to the Electronic Reverse Auction will be uninterrupted or error-free;
  - 4.7.2 its access to the Electronic Reverse Auction may occasionally be restricted to allow for repairs or maintenance; and

- 4.7.3 it will comply with all such rules that may be imposed by the Contracting Authority in relation to the operation of the Electronic Reverse Auction.
- 4.8 The Contracting Authority will close the Electronic Reverse Auction on the basis of:
  - 4.8.1 a date and time fixed in advance;
  - 4.8.2 when no new prices or values meeting the minimum differences required pursuant to paragraph 4.4.5 have been received within the prescribed elapsed time period; or
  - 4.8.3 when all the phases have been completed.

## **5. NO AWARD**

- 5.1 Notwithstanding the fact that the Contracting Authority has followed a procedure as set out above in paragraph 2 or 3 (as applicable), the Contracting Authority shall be entitled at all times to decline to make an award for its Services Requirements. Nothing in this Framework Agreement shall oblige any Contracting Authority to award any Call Off Agreement.

## **6. RESPONSIBILITY FOR AWARDS**

- 6.1 The Supplier acknowledges that each Contracting Authority is independently responsible for the conduct of its award of Call Off Agreements under this Framework Agreement and that the Authority is not responsible or accountable for and shall have no liability whatsoever in relation to:
  - 6.1.1 the conduct of Other Contracting Authorities in relation to this Framework Agreement; or
  - 6.1.2 the performance or non-performance of any Call Off Agreements between the Supplier and Other Contracting Authorities entered into pursuant to this Framework Agreement.

## **7. CALL OFF AWARD PROCEDURE**

- 7.1 Subject to paragraphs 1 to 6 above, a Contracting Authority may award a Call Off Agreement with the Supplier by sending (including electronically) a signed order form substantially in the form (as may be amended or refined by the Contracting Authority in accordance with paragraph 3.1.2 above) of the Template Order Form set out in Framework Schedule 4 (Template Order Form and Template Call Off Terms). The Parties agree that any document or communication (including any document or communication in the apparent form of a Call Off Agreement) which is not as described in this paragraph 7 shall not constitute a Call Off Agreement under this Framework Agreement.
- 7.2 On receipt of an order form as described in paragraph 7.1 from a Contracting Authority the Supplier shall accept the Call Off Agreement by promptly signing and returning (including by electronic means) a copy of the order form to the Contracting Authority concerned.
- 7.3 On receipt of the signed order form from the Supplier, the Contracting Authority shall send (including by electronic means) a written notice of receipt to the Supplier within two (2) Working Days and a Call Off Agreement shall be formed.

## **FRAMEWORK SCHEDULE 6: AWARD CRITERIA**

### **1. GENERAL**

- 1.1 This Framework Schedule 6 is designed to assist Contracting Authorities seeking to award a Call Off Agreement on the basis of direct award or through reopening competition under a Further Competition Procedure in accordance with the Call Off Procedure.
- 1.2 A Call Off Agreement shall be awarded on the basis of most economically advantageous tender ("MEAT") from the point of view of the Contracting Authority.
- 1.3 This Framework Schedule 6 includes details of the evaluation criteria and any weightings that will be applied to that criteria.

**PART A: DIRECT AWARD**

1. The following criteria and weightings shall be applied to the Framework Suppliers' compliant Tenders submitted through direct award.

**Lot 1:**

<b>Criteria number</b>	<b>Criteria</b>	<b>Percentage Weightings to be set by the Contracting Authority conducting the direct award</b>
1	Quality, including: <ul style="list-style-type: none"> <li>• Fraud and risk management;</li> <li>• Transaction monitoring and risk assessment services;</li> <li>• Integration; and</li> <li>• Merchant acquiring set-up and implementation</li> </ul>	70% (the Contracting Authority can modify this weighting with a variance of +/- 10%)
2	Price	30% (the Contracting Authority can modify this weighting with a variance of +/- 10%)

**Lot 3:**

<b>Criteria number</b>	<b>Criteria</b>	<b>Percentage Weightings to be set by the Contracting Authority conducting the direct award</b>
1	Quality, including: <ul style="list-style-type: none"> <li>• Fraud and risk management;</li> <li>• Transaction monitoring and risk assessment services;</li> <li>• Integration;</li> <li>• Payment gateway services, web-based interfaces and browser support; and</li> <li>• Merchant acquiring set-up and implementation</li> </ul>	70% (the Contracting Authority can modify this weighting with a variance of +/- 10%)
2	Price	30% (the Contracting Authority can modify this weighting with a variance of +/- 10%)

## PART B: FURTHER COMPETITION AWARD CRITERIA

1. The following criteria shall be applied to the Services set out in the Suppliers' compliant tenders submitted through the Further Competition Procedure:

### Lot 1:

Criteria number	Criteria	Percentage Weightings to be set by the Contracting Authority conducting the further competition
1	Quality, including: <ul style="list-style-type: none"> <li>• Proposed approach to the delivery of the Services Requirements;</li> <li>• Fraud and risk management;</li> <li>• Transaction monitoring and risk assessment services;</li> <li>• Integration; and</li> <li>• Set-up and implementation of the Services</li> </ul>	20% - 80%
2	Price	20% - 80%

### Lot 3:

Criteria number	Criteria	Percentage Weightings to be set by the Contracting Authority conducting the further competition
1	Quality, including: <ul style="list-style-type: none"> <li>• Proposed approach to the delivery of the Services Requirements;</li> <li>• Fraud and risk management;</li> <li>• Transaction monitoring and risk assessment services;</li> <li>• Integration;</li> <li>• Payment gateway services, web-based interfaces and browser support; and</li> <li>• Set-up and implementation of the Services.</li> </ul>	20% - 80%
2	Price	20% - 80%

### FRAMEWORK SCHEDULE 7: KEY SUB-CONTRACTORS

1. In accordance with Clause 25.1 (Appointment of Key Sub-Contractors), the Supplier is entitled to sub-contract its obligations under this Framework Agreement and any Call Off Agreements entered into pursuant to this Framework Agreement, to the Key Sub-Contractors listed below.

Key Sub-Contractor company name:	[REDACTED]
Registered address:	[REDACTED]
Company registration number:	[REDACTED]
Role of Key Sub-Contractor in delivering the Services:	[REDACTED]
Approximate % of obligations sub-contracted:	[REDACTED]

## FRAMEWORK SCHEDULE 8: FRAMEWORK MANAGEMENT

### 1. INTRODUCTION

- 1.1 The following definitions shall apply in addition to the definitions contained in the Framework Schedule 1 (Definitions):

<b>"Supplier Framework Manager"</b>	has the meaning given to it in paragraph 2.1.1 of this Framework Schedule 8; and
<b>"Supplier Review Meetings"</b>	has the meaning given to it in paragraph 2.2.1 of this Framework Schedule 8.

- 1.2 The successful delivery of this Framework Agreement will rely on the ability of the Supplier and the Authority in developing a strategic relationship immediately following the conclusion of this Framework Agreement with the Supplier and maintaining this relationship throughout the Framework Period.
- 1.3 To achieve this strategic relationship, there will be a requirement to adopt proactive framework management activities which will be informed by quality Management Information, and the sharing of information between the Supplier and the Authority.
- 1.4 This Framework Schedule 8 outlines the general structures and management activities that the Parties shall follow during the Framework Period.

### 2. FRAMEWORK MANAGEMENT

#### 2.1 Framework Management Structure:

- 2.1.1 The Supplier shall provide a suitably qualified nominated contact (the **"Supplier Framework Manager"**) who will take overall responsibility for delivering the Services required within this Framework Agreement, as well as a suitably qualified deputy to act in their absence.
- 2.1.2 The Supplier shall put in place a structure to manage the Framework in accordance with Framework Schedule 2 (Services and Key Performance Indicators).
- 2.1.3 A full governance structure for the Framework will be agreed between the Parties during the Framework Agreement implementation stage.
- 2.1.4 Following discussions between the Parties following the Framework Commencement Date, the Authority shall produce and issue to the Supplier a draft Supplier Action Plan. The Supplier shall not unreasonably withhold its agreement to the draft Supplier Action Plan. The Supplier Action Plan shall, unless the Authority otherwise Approves, be agreed between the Parties and come into effect within two weeks from receipt by the Supplier of the draft Supplier Action Plan.
- 2.1.5 The Supplier Action Plan shall be maintained and updated on an ongoing basis by the Authority. Any changes to the Supplier Action Plan shall be notified by the Authority to the Supplier. The Supplier shall not unreasonably withhold its agreement to any changes to the Supplier Action Plan. Any such changes shall, unless the Authority otherwise Approves, be agreed between the Parties and come into

effect within two weeks from receipt by the Supplier of the Authority's notification.

## **2.2 Supplier Review Meetings**

- 2.2.1 Regular performance review meetings will take place at the Authority's premises throughout the Framework Period and thereafter until the Framework Expiry Date ("**Supplier Review Meetings**").
- 2.2.2 The exact timings and frequencies of such Supplier Review Meetings will be determined by the Authority following the conclusion of the Framework Agreement. It is anticipated that the frequency of the Supplier Review Meetings will be once every month or less. The Parties shall be flexible about the timings of these meetings.
- 2.2.3 The purpose of the Supplier Review Meetings will be to review the Supplier's performance under this Framework Agreement and, where applicable, the Supplier's adherence to the Supplier Action Plan. The agenda for each Supplier Review Meeting shall be set by the Authority and communicated to the Supplier in advance of that meeting.
- 2.2.4 The Supplier Review Meetings shall be attended, as a minimum, by the Authority Representative(s) and the Supplier Framework Manager.

## **3. KEY PERFORMANCE INDICATORS**

- 3.1 The KPIs applicable to this Framework Agreement are set out in Framework Schedule 2 (Services and Key Performance Indicators).
- 3.2 The Supplier shall establish processes to monitor its performance against the agreed KPIs. The Supplier shall at all times ensure compliance with the standards set by the KPIs.
- 3.3 The Authority shall review progress against these KPIs to evaluate the effectiveness and efficiency of which the Supplier performs its obligations to fulfil this Framework Agreement.
- 3.4 The Supplier's achievement of KPIs shall be reviewed during the Supplier Review Meetings, in accordance with paragraph 2.2 above, and the review and ongoing monitoring of KPIs will form a key part of the framework management process as outlined in this Framework Schedule 8.
- 3.5 The Authority reserves the right to adjust, introduce new, or remove KPIs throughout the Framework Period, however any significant changes to KPIs shall be agreed between the Authority and the Supplier.
- 3.6 The Authority reserves the right to use and publish the performance of the Supplier against the KPIs without restriction.

## **4. EFFICIENCY TRACKING PERFORMANCE MEASURES**

- 4.1 The Supplier shall cooperate in good faith with the Authority to develop efficiency tracking performance measures for this Framework Agreement. This shall include but is not limited to:

- 4.1.1 tracking reductions in product volumes and product costs, in order to demonstrate that Contracting Authorities are consuming less and buying more smartly;
  - 4.1.2 developing additional KPIs to ensure that the Framework Agreement supports the emerging target operating model across central government (particularly in line with centralised sourcing and category management, procurement delivery centres and payment processing systems and shared service centres).
- 4.2 The list in paragraph 4.1 is not exhaustive and may be developed during the Framework Period.
- 4.3 The metrics that are to be implemented to measure efficiency shall be developed and agreed between the Authority and the Supplier. Such metrics shall be incorporated into the list of KPIs set out in Framework Schedule 2 (Services and Key Performance Indicators).
- 4.4 The ongoing progress and development of the efficiency tracking performance measures shall be reported through framework management activities as outlined in this Framework Schedule 8.

## **5. ESCALATION PROCEDURE**

- 5.1 In the event that the Authority and the Supplier are unable to agree the performance score for any KPI during a Supplier Review Meeting, the disputed score shall be recorded and the matter shall be referred to the Authority Representative and the Supplier Representative in order to determine the best course of action to resolve the matter (which may involve organising an ad-hoc meeting to discuss the performance issue specifically).
- 5.2 In cases where the Authority Representative and the Supplier Representative fail to reach a solution within a reasonable period of time, the matter shall be dealt with in accordance with the procedure set out in Clause 48 (Dispute Resolution).

## **FRAMEWORK SCHEDULE 9: MANAGEMENT INFORMATION**

### **1. GENERAL REQUIREMENTS**

- 1.1 The Supplier shall operate and maintain appropriate systems, processes and records to ensure that it can, at all times, deliver timely and accurate Management Information to the Authority in accordance with the provisions of this Framework Schedule 9.
- 1.2 The Supplier shall also supply such Management Information as may be required by a Contracting Authority in accordance with the terms of a Call Off Agreement.

### **2. MANAGEMENT INFORMATION AND FORMAT**

- 2.1 The Supplier agrees to provide timely, full, accurate and complete MI Reports to the Authority which incorporates the data, in the correct format, required by the MI Reporting Template. The initial MI Reporting Template is set out in Annex1 to this Framework Schedule 9.
- 2.2 The Authority may from time to time make changes to the MI Reporting Template including to the data required or format of the report and issue a replacement version of the MI Reporting Template to the Supplier. The Authority shall give notice in writing of any such change to the MI Reporting Template and shall specify the date from which the replacement MI Reporting Template must be used for future MI Reports which date shall be at least thirty (30) calendar days following the date of the notice.
- 2.3 If the MI Reporting Template is amended by the Authority at any time, then the Supplier agrees to provide all future MI Reports in accordance with the most recent MI Reporting Template issued by the Authority.
- 2.4 The Authority may provide the Supplier with supplemental guidance for completing the MI Reporting Template or submitting MI Reports from time to time which may for example indicate which fields are mandatory and which are optional. The Supplier agrees to complete the Monthly MI Report in accordance with any such guidance.
- 2.5 The Supplier may not make any amendment to the current MI Reporting Template without the prior Approval of the Authority.
- 2.6 The Authority shall have the right from time to time (on reasonable written notice) to amend the nature of the Management Information which the Supplier is required to supply to the Authority.

### **3. FREQUENCY AND COVERAGE**

- 3.1 All MI Reports must be completed by the Supplier using the MI Reporting Template and returned to the Authority on or prior to the Reporting Date every Month during the Framework Period and thereafter, until all transactions relating to Call Off Agreements have permanently ceased.
- 3.2 The MI Report should be used (among other things) to report Orders received and transactions occurring during the Month to which the MI Report relates, regardless of when the work was actually completed. For example, if an invoice is raised for October but the work was actually completed in September, the Supplier must report the invoice in October's MI Report and not September's. Each Order received by the Supplier must be reported only once when the Order is received.

- 3.3 The Supplier must return the MI Report for each Month even where there are no transactions to report in the relevant Month (a "**Nil Return**").
- 3.4 The Supplier must inform the Authority of any errors or corrections to the Management Information:
  - 3.4.1 in the next MI Report due immediately following discovery of the error by the Supplier; or
  - 3.4.2 as a result of the Authority querying any data contained in an MI Report.

#### **4. SUBMISSION OF THE MONTHLY MI REPORT**

- 4.1 The completed MI Report shall be completed electronically and returned to the Authority by uploading the electronic MI Report computer file to MISO in accordance with the instructions provided in MISO.
- 4.2 The Authority reserves the right (acting reasonably) to specify that the MI Report be submitted by the Supplier using an alternative communication to that specified in paragraph 4.1 above such as email. The Supplier agrees to comply with any such instructions provided they do not materially increase the burden on the Supplier.

#### **5. DEFECTIVE MANAGEMENT INFORMATION**

- 5.1 The Supplier acknowledges that it is essential that the Authority receives timely and accurate Management Information pursuant to this Framework Agreement because Management Information is used by the Authority to inform strategic decision making and allows it to calculate the Management Charge.
- 5.2 Following an MI Failure the Authority may issue reminders to the Supplier or require the Supplier to rectify defects in the MI Report provided to the Authority. The Supplier shall rectify any deficient or incomplete MI Report as soon as possible and not more than five (5) Working Days following receipt of any such reminder.

##### **Meetings**

- 5.3 The Supplier agrees to attend meetings between the Parties in person to discuss the circumstances of any MI Failure(s) at the request of the Authority (without prejudice to any other rights the Authority may have). If the Authority requests such a meeting the Supplier shall propose measures to ensure that the MI Failures are rectified and do not occur in the future. The Parties shall document these measures and continue to monitor the Supplier's performance.

##### **Admin Fees**

- 5.4 If, in any rolling three (3) Month period, two (2) or more MI Failures occur, the Supplier acknowledges and agrees that the Authority shall have the right to invoice the Supplier Admin Fees and (subject to paragraph 5.5) in respect of any MI Failures as they arise in subsequent Months.
- 5.5 If, following activation of the Authority's right to charge Admin Fee(s) in respect of MI Failures pursuant to paragraph 5.4, the Supplier submits the Monthly MI Report for two (2) consecutive Months and no MI Failure occurs then the right to charge the Admin Fee(s) shall lapse. For the avoidance of doubt the Authority shall not be prevented from exercising such right again during the Framework Period if the conditions in paragraph 5.4 are met.

- 5.6 The Supplier acknowledges and agrees that the Admin Fees are a fair reflection of the additional costs incurred by the Authority as a result of the Supplier failing to supply Management Information as required by this Framework Agreement.
- 5.7 The Authority shall notify the Supplier if any Admin Fees arise pursuant to paragraph 5.4 above and shall be entitled to invoice the Supplier for such Admin Fees which shall be payable in accordance with Clause 20 (Management Charge) as a supplement to the Management Charge. Any exercise by the Authority of its rights under this paragraph 5.7 shall be without prejudice to any other rights that may arise pursuant to the terms of this Framework Agreement.

## 6. DEFAULT MANAGEMENT CHARGE

- 6.1 If:
- 6.1.1 Two (2) MI Failures occur in any rolling six (6) Month period;
  - 6.1.2 Two (2) consecutive MI Failures occur;
- then a "**MI Default**" shall be deemed to have occurred.
- 6.2 If an MI Default occurs the Authority shall (without prejudice to any other rights or remedies available to it under this Framework Agreement) be entitled to determine the level of Management Charge in accordance with paragraph 6.3, which the Supplier shall be required to pay to the Authority ("**Default Management Charge**") and/or to terminate this Framework Agreement.
- 6.3 The Default Management Charge shall be calculated as the higher of:
- 6.3.1 the average Management Charge paid or payable by the Supplier to the Authority based on any Management Information submitted in the six (6) Month period preceding the date on which the MI Default occurred or, if the MI Default occurred within less than six (6) Months from the commencement date of the first Call Off Agreement, in the whole period preceding the date on which the MI Default occurred; or
  - 6.3.2 the sum of five hundred pounds (£500).
- 6.4 If an MI Default occurs, the Authority shall be entitled to invoice the Supplier the Default Management Charge (less any Management Charge which the Supplier has already paid to the Authority in accordance with Clause 20 for any Months in which the Default Management Charge is payable) calculated in accordance with paragraph 6.3 above:
- 6.4.1 in arrears for those Months in which an MI Failure occurred; and
  - 6.4.2 on an ongoing Monthly basis,
- until all and any MI Failures have been rectified to the reasonable satisfaction of the Authority.
- 6.5 For the avoidance of doubt the Parties agree that:
- 6.5.1 the Default Management Charge shall be payable as though it was the Management Charge due in accordance with the provisions of Clause 20 of this Framework Agreement; and
  - 6.5.2 any rights or remedies available to Authority under this Framework Agreement in respect of the payment of the Management Charge

shall be available to the Authority also in respect of the payment of the Default Management Charge.

- 6.6 If the Supplier provides sufficient Management Information to rectify any MI Failures to the satisfaction of the Authority and the Management Information demonstrates that:
- 6.6.1 the Supplier has overpaid the Management Charges as a result of the application of the Default Management Charge then the Supplier shall be entitled to a refund of the overpayment, net of any Admin Fees where applicable; or
  - 6.6.2 the Supplier has underpaid the Management Charges during the period when a Default Management Charge was applied, then the Authority shall be entitled to immediate payment of the balance as a debt together with interest pursuant to Clause 20 (Management Charge).

## **7. ADDITIONAL MANAGEMENT INFORMATION – AUTHORITY**

- 7.1 The Supplier agrees to provide timely, full, accurate and complete additional MI reports to the Authority which incorporate the data, in the correct format, required by the MI reporting templates that are set out in Annex 2 to this Framework Schedule 9.
- 7.2 The Authority may from time to time make changes to the MI reporting templates set out in Annex 2 to this Framework Schedule 9, including to the data required or format of the report, and issue a replacement version of the templates to the Supplier. The Authority shall give notice in writing of any such change to the templates and shall specify the date from which the replacement templates must be used for future report which date shall be at least thirty (30) calendar days following the date of the notice.
- 7.3 The Supplier may not make any amendment to the MI reporting templates set out in Annex 2 to this Framework Schedule 9 without the prior Approval of the Authority.
- 7.4 The Supplier shall submit the additional MI reports in accordance with the frequency and reporting date specified in Annex 2 to this Framework Schedule 9.
- 7.5 The Supplier shall submit the additional MI reports to the Authority via email by emailing the additional MI reports to [epayments@crownccommercial.gov.uk](mailto:epayments@crownccommercial.gov.uk)
- 7.6 The Authority reserves the right (acting reasonable) to specify that the additional MI reports be submitted by the Supplier using an alternative communication to that specified in paragraph 7.5 above. The Supplier agrees to comply with any such instructions provided they do not materially increase the burden on the Supplier.

## **8. MANAGEMENT INFORMATION – CONTRACTING AUTHORITIES**

- 8.1 As a minimum, The Supplier agrees to provide timely, full, accurate and complete Contracting Authority MI reports to Contracting Authorities which incorporate the data, in the correct format, required by the Contracting Authority MI reporting template set out in Annex 3 to this Framework Schedule 9.
- 8.2 The Supplier shall provide the Contracting Authority MI reports in accordance with the frequency and reporting date specified in Annex 3 to this Framework Schedule 9.

- 8.3 The Supplier shall submit the Contracting Authority MI reports to a Contracting Authority in the method specified by the Contracting Authority.

## ANNEX 1: MI REPORTING TEMPLATE

Embedded document: RM3702 Model MI Reporting Template



RM3702 MI Report  
Template 1.0.xls

## ANNEX 2: ADDITIONAL MI – AUTHORITY

### 1. ADDITIONAL MI – AUTHORITY

1.1 The following table sets out the additional MI that the Supplier is required to provide to the Authority.

Report name	Frequency	Scope	Reporting date	Reporting template
Authority Business Activity Report	Monthly	Reporting period (preceding Month) and cumulative	15 <sup>th</sup> of the Month	 Authority Business Activity Report Templ
Authority Business Highlight Report	Quarterly	Reporting period (preceding 3 Months)	15 <sup>th</sup> of the Month on a quarterly basis	 Authority Business Highlight Report Tem

## ANNEX 3: MI – CONTRACTING AUTHORITIES

### 1. MI – CONTRACTING AUTHORITIES

1.1 The following table sets out the MI that the Supplier, as a minimum, is required to provide to Contracting Authorities:

Report name	Frequency	Scope	Reporting date	Reporting template
Contracting Authority Business Activity Report	Monthly	Reporting period (preceding Month) and cumulative	15 <sup>th</sup> of the Month	 Contracting Authority Business Activity Repo

**FRAMEWORK SCHEDULE 10: ANNUAL SELF AUDIT CERTIFICATE**

**[To be signed by Head of Internal Audit, Finance Director or company's external auditor]**

**[Guidance Note: Please seek guidance from the CCS audit team in relation to this point]**

Dear Sirs

In accordance with the Framework Agreement entered into on [insert Framework Commencement Date dd/mm/yyyy] between [insert name of Supplier] and the Authority, we confirm the following:

1. In our opinion based on the testing undertaken [name of Supplier] has in place suitable systems for identifying and recording the transactions taking place under the provisions of the above Framework Agreement.
2. We have tested the systems for identifying and reporting on framework activity and found them to be operating satisfactorily.
3. We have tested a sample of [ ] [insert number of sample transactions tested] Orders and related invoices during our audit for the financial year ended [insert financial year] and confirm that they are correct and in accordance with the terms and conditions of the Framework Agreement.
4. We have tested from the order processing and invoicing systems a sample of [ ] [Insert number of sample transactions tested] public sector orders placed outside the Framework Agreement during our audit for the financial year ended [insert financial year] and confirm they have been identified correctly as orders placed outside the Framework Agreement, an appropriate and legitimately tendered procurement route has been used to place those orders, and those orders should not otherwise have been routed via centralised and mandated procurement processes executed by the Authority.
5. We have also attached an Audit Report which provides details of the methodology applied to complete the review, the sampling techniques applied, details of any issues identified and remedial action taken.

**[Guidance Note: see Clause 18(Records, Audit Access and Open Book Data) for details of what is required]**

Name:.....

Signed:.....

Head of Internal Audit/ Finance Director/ External Audit firm (delete as applicable)

Date:.....

Professional Qualification held by Signatory:.....

Note to Suppliers: where CCS identifies independently that data accuracy supporting this certificate is flawed we will consider action on a case by case basis, and in some

cases where the issues identified are clearly systemic we will consider whether this behaviour goes beyond poor commercial practice and will seek further guidance from the Government Legal Department.

## **FRAMEWORK SCHEDULE 11: MARKETING**

### **1. INTRODUCTION**

- 1.1 This Framework Schedule 11 describes the activities that the Supplier will carry out as part of its ongoing commitment to the marketing of the Services to Contracting Authorities.

### **2. MARKETING**

- 2.1 Marketing contact details:
  - 2.1.1 [REDACTED]
  - 2.1.2 [REDACTED]
  - 2.1.3 [REDACTED]

### **3. AUTHORITY PUBLICATIONS**

- 3.1 The Authority will periodically update and revise marketing materials. The Supplier shall supply current information for inclusion in such marketing materials when required by the Authority.
- 3.2 Such information shall be provided in the form of a completed template, supplied by the Authority together with the instruction for completion and the date for its return.
- 3.3 Failure to comply with the provisions of paragraphs 3.1 and 3.2 may result in the Supplier's exclusion from the use of such marketing materials.

### **4. SUPPLIER PUBLICATIONS**

- 4.1 Any marketing materials in relation to this Framework Agreement that the Supplier produces must comply in all respects with the Branding Guidance. The Supplier will periodically update and revise such marketing materials.
- 4.2 The Supplier shall be responsible for keeping under review the content of any information which appears on the Supplier's website and which relates to this Framework Agreement and ensuring that such information is kept up to date at all times.

## FRAMEWORK SCHEDULE 12: CONTINUOUS IMPROVEMENT AND BENCHMARKING

### 1. DEFINITIONS

1.1 In this Framework Schedule 12, the following expressions shall have the following meanings:

<b>"Benchmarked Rates"</b>	means the Framework Prices for the Benchmark Services
<b>"Benchmark Review"</b>	means a review of the Services carried out in accordance with this Framework Schedule 12 to determine whether those Services represent Good Value
<b>"Benchmarked Services"</b>	means any Services included within the scope of a Benchmark Review pursuant to this Framework Schedule 12
<b>"Comparable Rates"</b>	means rates payable by the Comparison Group for Comparable Services that can be fairly compared with the Framework Prices
<b>"Comparable Supply"</b>	means the supply of Services to another customer of the Supplier that are the same or similar to the Services
<b>"Comparable Services"</b>	means Services that are identical or materially similar to the Benchmark Services (including in terms of scope, specification, volume and quality of performance) provided that if no identical or materially similar Services exist in the market, the Supplier shall propose an approach for developing a comparable Services benchmark
<b>"Comparison Group"</b>	means a sample group of organisations providing Comparable Services which consists of organisations which are either of similar size to the Supplier or which are similarly structured in terms of their business and their service offering so as to be fair comparators with the Supplier or which, are best practice organisations
<b>"Equivalent Data"</b>	means data derived from an analysis of the Comparable Rates and/or the Comparable Services (as applicable) provided by the Comparison Group
<b>"Good Value"</b>	means that the Benchmark Rates are within the Upper Quartile
<b>"Upper Quartile"</b>	means, in respect of Benchmark Rates, that based on an analysis of Equivalent Data, the Benchmark Rates, as compared to the range of prices for Comparable Services, are within the top 25% in terms of best value for money for the recipients of Comparable Services

## **2. BACKGROUND**

- 2.1 The Supplier acknowledges that the Authority wishes to ensure that the Services, represent value for money to the taxpayer throughout the Framework Period.
- 2.2 This Framework Schedule 12 (Continuous Improvement and Benchmarking) sets out the following processes to ensure this Framework Agreement represents value for money throughout the Framework Period and subsequently while any Call Off Agreements remain in force:
  - 2.2.1 Benchmarking;
  - 2.2.2 Continuous Improvement;

## **3. BENCHMARKING**

### **3.1 Frequency Purpose and Scope of Benchmark Review**

- 3.1.1 The Supplier shall carry out Benchmark Reviews of the Services when so requested by the Authority.
- 3.1.2 The Authority shall not be entitled to request a Benchmark Review during the first six (6) Month period from the Framework Commencement Date nor at intervals of less than twelve (12) Months after any previous Benchmark Review.
- 3.1.3 The purpose of a Benchmark Review will be to establish whether the Benchmarked Services are, individually and/or as a whole, Good Value.
- 3.1.4 The Services that are to be the Benchmarked Services will be identified by the Authority in writing.

### **3.2 Benchmarking Process**

- 3.2.1 The Supplier shall produce and send to the Authority for Approval, a draft plan for the Benchmark Review.
- 3.2.2 The plan must include:
  - (a) a proposed timetable for the Benchmark Review;
  - (b) a description of the benchmarking methodology to be used;
  - (c) a description that demonstrates objectively and transparently that the benchmarking methodology to be used is capable of fulfilling the benchmarking purpose; and
  - (d) a description of how the Supplier will scope and identify the Comparison Group.
- 3.2.3 The Authority must give notice in writing to the Supplier within ten (10) Working Days after receiving the draft plan, advising whether it Approves the draft plan, or, if it does not approve the draft plan, suggesting amendments to that plan. The Authority may not unreasonably withhold or delay its Approval of the draft plan and any suggested amendments must be reasonable.
- 3.2.4 Where the Authority suggests amendments to the draft plan under paragraph 3.2.3, the Supplier must produce an amended draft plan. Paragraph 3.2.2 shall apply to any amended draft plan.

3.2.5 Once it has received the Approval of the draft plan, the Supplier shall:

- (a) finalise the Comparison Group and collect data relating to Comparable Rates. The selection of the Comparable Rates (both in terms of number and identity) shall be a matter for the Supplier's professional judgment using:
  - (i) market intelligence;
  - (ii) the Supplier's own data and experience;
  - (iii) relevant published information; and
  - (iv) pursuant to paragraph 3.2.7 below, information from other suppliers or purchasers on Comparable Rates;
- (b) by applying the adjustment factors listed in paragraph 3.2.7 and from an analysis of the Comparable Rates, derive the Equivalent Data;
- (c) using the Equivalent Data to calculate the Upper Quartile;
- (d) determine whether or not each Benchmarked Rate is, and/or the Benchmarked Rates as a whole are, Good Value.

3.2.6 The Supplier agrees to use its reasonable endeavours to obtain information from other suppliers or purchasers on Comparable Rates.

3.2.7 In carrying out the benchmarking analysis the Supplier may have regard to the following matters when performing a comparative assessment of the Benchmarked Rates and the Comparable Rates in order to derive Equivalent Data:

- (a) the contractual terms and business environment under which the Comparable Rates are being provided (including the scale and geographical spread of the customers);
- (b) exchange rates;
- (c) any other factors reasonably identified by the Supplier, which, if not taken into consideration, could unfairly cause the Supplier's pricing to appear non-competitive.

### 3.3 Benchmarking Report:

3.3.1 For the purposes of this Framework Schedule 12 “**Benchmarking Report**” shall mean the report produced by the Supplier following the Benchmark Review and as further described in this Framework Schedule 12;

3.3.2 The Supplier shall prepare a Benchmarking Report and deliver it to the Authority, at the time specified in the plan Approved pursuant to paragraph 3.2.3 of this Schedule 12, setting out its findings. Those findings shall be required to:

- (a) include a finding as to whether or not a Benchmarked Service and/or whether the Benchmarked Services as a whole are, Good Value;
- (b) if any of the Benchmarked Services are, individually or as a whole, not Good Value, specify the changes that would be required to

make that Benchmarked Service or the Benchmarked Services as a whole Good Value; and

- (c) include sufficient detail and transparency so that the Authority can interpret and understand how the Supplier has calculated whether or not the Benchmarked Services are, individually or as a whole, Good Value.

3.3.3 The Parties agree that any changes required to this Framework Agreement identified in the Benchmarking Report may be implemented at the direction of the Authority in accordance with Clause 19.1 (Variation Procedure).

3.3.4 The Authority shall be entitled to publish the results of any benchmarking of the Framework Prices to Other Contracting Authorities.

#### 4. CONTINUOUS IMPROVEMENT

4.1 The Supplier shall adopt a policy of continuous improvement in relation to the Services pursuant to which it will regularly review with the Authority the Services and the manner in which it is providing the Services with a view to reducing the Authority's costs, the costs of Contracting Authorities (including the Framework Prices) and/or improving the quality and efficiency of the Services. The Supplier and the Authority will provide to each other any information which may be relevant to assisting the objectives of continuous improvement and in particular reducing costs.

4.2 Without limiting paragraph 4.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Services and/or reducing the Charges produced by the Supplier pursuant to this Schedule 12 under all Call Off Agreements and reducing the Framework Prices (without adversely affecting the performance of the Framework Agreement or any Call Off Agreement) during that Contract Year ("**Continuous Improvement Plan**") for the approval of the Authority. The Continuous Improvement Plan shall include, as a minimum, proposals in respect of the following:

- 4.2.1 identifying the emergence of new and evolving technologies which could improve the Services;
- 4.2.2 identifying changes in behaviour at Contracting Authorities that result in a cost saving and a reduction in the Framework Prices;
- 4.2.3 improving the way in which the Services are sold via the Framework Agreement that may result in reduced Framework Prices;
- 4.2.4 identifying and implementing efficiencies in the Supplier's internal processes and administration that may lead to cost savings and reductions in the Framework Prices;
- 4.2.5 identifying and implementing efficiencies in the way the Authority and/or Contracting Authorities interact with the Supplier that may lead to cost savings and reductions in the Framework Prices;
- 4.2.6 identifying and implementing efficiencies in the Supplier's supply chain that may lead to cost savings and reductions in the Framework Prices;

- 4.2.7 baselining the quality of the Supplier's Services and its cost structure and demonstrating the efficacy of its Continuous Improvement Plan on each element during the Framework Period; and
  - 4.2.8 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains pertaining to the Services, and identifying opportunities to assist Contracting Authorities in meeting their sustainability objectives.
- 4.3 The initial Continuous Improvement Plan for the first (1<sup>st</sup>) Contract Year shall be submitted by the Supplier to the Authority for approval within ninety (90) Working Days of the first Order or six (6) Months following the Framework Commencement Date, whichever is earlier.
- 4.4 The Authority 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. Within ten (10) Working Days of receipt of the Authority's notice of rejection and of the deficiencies of the proposed Continuous Improvement Plan, the Supplier shall submit to the Authority a revised Continuous Improvement Plan reflecting the changes required. Once Approved by the Authority, the programme shall constitute the Continuous Improvement Plan for the purposes of this Agreement.
- 4.5 Once the first Continuous Improvement Plan has been Approved in accordance with paragraph 4.4:
  - 4.5.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
  - 4.5.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Authority and the Supplier) to review the Supplier's progress against the Continuous Improvement Plan.
- 4.6 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 4.2.
- 4.7 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 Framework Prices.
- 4.8 Should the Supplier's costs in providing the Services to Contracting Authorities be reduced as a result of any changes implemented by the Authority and/or Contracting Authorities, all of the cost savings shall be passed on to Contracting Authorities by way of a consequential and immediate reduction in the Framework Prices for the Services.

**FRAMEWORK SCHEDULE 13: GUARANTEE**

***Guidance Note: this is a draft form of guarantee which can be used to procure a Call Off Guarantee, and so it will need to be amended to reflect the Beneficiary's requirements. See Clause 8 of the Framework Agreement and Clause 4 of the Template Call Off Terms.***

**[INSERT THE NAME OF THE GUARANTOR]**

**- AND -**

**[INSERT THE NAME OF THE BENEFICIARY]**

**DEED OF GUARANTEE**

## DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made the                      day of                      20[ ]

### BETWEEN:

- (1) [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**”); in favour of
- (2) [Insert name of Contracting Authority who is Party to the Guaranteed Agreement] whose principal office is at [ ] (“**Beneficiary**”)

**[Guidance note: Where this deed of guarantee is used to procure a Call Off Guarantee in favour of a Contracting Authority this paragraph numbered (2) above will set out the details of the relevant Contracting Authority]**

### 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 with 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, as appropriate to a Call Off Guarantee]**

<b>["Authority"</b>	has the meaning given to it in the Framework Agreement;]
<b>["Beneficiary"</b>	means [insert name of the Contracting Authority with whom the Supplier enters into a Call Off Agreement] and "Beneficiaries" shall be construed accordingly;]
<b>["Call Off Agreement"</b>	has the meaning given to it in the Framework Agreement;]
<b>["Framework Agreement"</b>	means the Framework Agreement for the Services dated on or about the date hereof made between the Authority and the Supplier;]

**["Guaranteed Agreement"]**

means [the Call Off Agreement] made between the Beneficiary and the Supplier on [insert date];]

**"Guaranteed Obligations"**

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"]**

has the meaning given to it in the Framework Agreement;]

- 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 of 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.

2.3 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:

2.3.1 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

2.3.2 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.

2.4 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**

3.1 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:
- 4.1.1 [Address of the Guarantor in England and Wales]
  - 4.1.2 [Facsimile Number]
  - 4.1.3 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.

## **6. GUARANTOR INTENT**

- 6.1 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:
- (a) the Guarantor's memorandum and articles of association or other equivalent constitutional documents;
  - (b) any existing law, statute, rule or regulation or any judgment, decree or permit to which the Guarantor is subject; or
  - (c) 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;
- 9.1.4 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
- 9.1.5 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**

- 10.1 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.
- 10.2 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.
- 10.3 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**

- 11.1 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**

- 13.1 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**

- 14.1 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. GOVERNING LAW**

- 15.1 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.
- 15.2 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.
- 15.3 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).
- 15.4 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.
- 15.5 [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.]

**[Guidance Note: Include the above provision when dealing with the appointment of English process agent by a non English incorporated Guarantor]**

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

## **FRAMEWORK SCHEDULE 14: INSURANCE REQUIREMENTS**

### **1. OBLIGATION TO MAINTAIN INSURANCES**

- 1.1 Without prejudice to its obligations to the Authority under this Framework Agreement, including its indemnity obligations, the Supplier shall for the periods specified in this Schedule 14 take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 (Required Insurances) and any other insurances as may be required by applicable Law (together the “**Insurances**”). The Supplier shall ensure that each of the Insurances is effective no later than the Framework Commencement Date.
- 1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.
- 1.3 The Insurances shall be taken out and maintained with insurers who are of good financial standing and of good repute in the international insurance market.
- 1.4 The Supplier shall ensure that the public and products liability policy shall contain an indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority 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.

### **2. GENERAL OBLIGATIONS**

- 2.1 Without limiting the other provisions of this Framework Agreement, the Supplier shall:
  - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to the Services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
  - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
  - 2.1.3 hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

### **3. FAILURE TO INSURE**

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.
- 3.2 Where the Supplier has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances, and the Authority shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

#### **4. EVIDENCE OF POLICIES**

- 4.1 The Supplier shall upon the Framework Commencement Date and within 15 Working Days after the renewal of each of the Insurances, provide evidence, in a form satisfactory to the Authority, that the Insurances are in force and effect and meet in full the requirements of this Framework Schedule 14. Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Supplier of any of its liabilities and obligations under this Agreement.

#### **5. AGGREGATE LIMIT OF INDEMNITY**

- 5.1 Where the minimum limit of indemnity required in relation to any of the Insurances is specified as being "in the aggregate":

5.1.1 if a claim or claims which do not relate to this Framework Agreement are notified to the insurers which, given the nature of the allegations and/or the quantum claimed by the third party(ies), is likely to result in a claim or claims being paid by the insurers which could reduce the level of cover available below that minimum, the Supplier shall immediately submit to the Authority:

- (a) details of the policy concerned; and
- (b) its proposed solution for maintaining the minimum limit of indemnity specified; and

5.1.2 if and to the extent that the level of insurance cover available falls below that minimum because a claim or claims which do not relate to this Framework Agreement are paid by insurers, the Supplier shall:

- (a) ensure that the insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified for claims relating to this Framework Agreement; or
- (b) if the Supplier is or has reason to believe that it will be unable to ensure that insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified, immediately submit to the Authority full details of the policy concerned and its proposed solution for maintaining the minimum limit of indemnity specified.

#### **6. CANCELLATION**

- 6.1 The Supplier shall notify the Authority in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.

#### **7. INSURANCE CLAIMS**

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this Framework Agreement for which it may be entitled to claim under any of the Insurances. In the event that the Authority receives a claim relating to or arising out of the Services or this Framework Agreement, the Supplier shall co-operate with the Authority and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.

- 7.2 Except where the Authority is the claimant party, the Supplier shall give the Authority notice within twenty (20) Working Days after any insurance claim in

excess of £10,000 relating to or arising out of the provision of the Services or this Framework Agreement 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 Authority) full details of the incident giving rise to the claim.

- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any 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 Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Framework Agreement or otherwise.

## **8. SELF – INSURANCE**

8.1 Paragraphs 1 to 7 of this Schedule shall not apply where the Supplier:

- 8.1.1 has notified the Authority in writing that it has the financial capability to provide the Authority with financial recourse for all risks which may be incurred by the Supplier, arising out of the Supplier's performance of its obligations under the Framework Agreement and any Call Off Agreement, including death or personal injury, loss of or damage to property or any other loss, that is equal to or greater than the financial recourse that would be available to the Authority through the insurances set out in Annex 1 of this Schedule;
- 8.1.2 has provided the Authority with its most recent audited accounts and any other information that the Authority may reasonably request to satisfy the Authority that:
- (a) its turnover exceeds the Minimum Self-Insurance Threshold in the 12 months preceding the date of the notice referred to in paragraph 8.1.1; and
- 8.1.3 the Authority has, at its sole discretion, given its Approval to the Supplier providing such self-insurance.

8.2 The Supplier shall notify the Authority in writing promptly if:

- 8.2.1 its turnover falls below the Minimum Self-Insurance Threshold in any 12 month period or if it would be reasonable for the Supplier to expect its turnover to fall below the Minimum Self-Insurance Threshold in any 12 month period; and/or
- 8.2.2 there is any material detrimental change in the financial standing and/or credit rating of the Supplier.
- 8.3 The Authority may notify the Supplier at any time that it requires the Supplier to comply with the provisions specified in paragraphs 1 to 7 of this Schedule and on receipt of such notice the Supplier shall implement and confirm their compliance with the provisions within 5 Working Days of such notice (or such other period as the Authority may specify in such notice) and both Parties shall comply with paragraphs 1 to 7 of this Schedule in their entirety.

## **ANNEX 1: REQUIRED INSURANCES**

### **PART A: THIRD PARTY PUBLIC & PRODUCTS LIABILITY INSURANCE**

#### **1. INSURED**

- 1.1 The Supplier

#### **2. INTEREST**

- 2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

2.1.1 death or bodily injury to or sickness, illness or disease contracted by any person;

2.1.2 loss of or damage to property;

happening during the period of insurance (as specified in Paragraph 5 of this Annex 1 to this Schedule 14) and arising out of or in connection with the provision of the Services and in connection with this Framework Agreement.

#### **3. LIMIT OF INDEMNITY**

- 3.1 Not less than **£1,000,000** in respect of any one occurrence, the number of occurrences being unlimited, but **£1,000,000** any one occurrence and in the aggregate per annum in respect of products and pollution liability.

#### **4. TERRITORIAL LIMITS**

4.1.1 United Kingdom

#### **5. PERIOD OF INSURANCE**

- 5.1 From the Framework Commencement Date for the Framework Period and renewable on an annual basis unless agreed otherwise by the Authority in writing.

#### **6. COVER FEATURES AND EXTENSIONS**

- 6.1 Indemnity to principals clause.

#### **7. PRINCIPAL EXCLUSIONS**

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured during the course of their employment.

7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by applicable Law in respect of such vehicles.

7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.

- 7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.
- 7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

#### **8. MAXIMUM DEDUCTIBLE THRESHOLD**

- 8.1 Not to exceed **[£ threshold to be agreed with Supplier]** for each and every third party property damage claim (personal injury claims to be paid in full).

## **PART B: PROFESSIONAL INDEMNITY INSURANCE**

### **1. INSURED**

1.1 The Supplier

### **2. INTEREST**

2.1 To indemnify the Insured for all sums which the Insured 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 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**

3.1 Not less than £2,000,000 in respect of any one claim and in the aggregate per annum.

### **4. TERRITORIAL LIMITS**

4.1 United Kingdom

### **5. PERIOD OF INSURANCE**

5.1 From the date of this Framework Agreement and renewable on an annual basis unless agreed otherwise by the Authority in writing (a) throughout the Framework Period or until earlier termination of this Framework Agreement and (b) for a period of 6 years thereafter.

### **6. COVER FEATURES AND EXTENSIONS**

6.1 Retroactive cover to apply to any claims made policy wording in respect of this Framework Agreement or retroactive date to be no later than the Framework Commencement Date.

### **7. PRINCIPAL EXCLUSIONS**

- 7.1 War and related perils
- 7.2 Nuclear and radioactive risks

### **8. MAXIMUM DEDUCTIBLE THRESHOLD**

8.1 Not to exceed **[[insert threshold set out in the Supplier's Tender]]** each and every claim.

## **PART C: UNITED KINGDOM COMPULSORY INSURANCES**

### **1. GENERAL**

- 1.1 The Supplier shall meet its insurance obligations under applicable Law in full, including, UK employers' liability insurance and motor third party liability insurance.

**FRAMEWORK SCHEDULE 15: NOT USED**

**FRAMEWORK SCHEDULE 16: NOT USED**

## FRAMEWORK SCHEDULE 17: COMMERCIALY SENSITIVE INFORMATION

### 1. INTRODUCTION

- 1.1 In this Framework Schedule 17 (Commercially Sensitive Information) the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA.
- 1.2 Where possible, the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Framework Schedule 17 applies.
- 1.3 Without prejudice to the Authority's obligation to disclose Information in accordance with FOIA or Clause 27.4 (Freedom of Information), the Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:

No.	Date	Item(s)	Duration of Confidentiality
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**Guidance note: Any information provided in this Framework Schedule should be information which would be exempt under the FOIA. If the information would not be exempt under FOIA the Authority may publish it under Clause 27.3 (Transparency) of this Framework Agreement.**

**Guidance note: where any information listed in this Framework Schedule 17 is considered to be Management Information for the purposes of Clause 27.1 of the Framework Agreement and is provided by the Supplier to the Authority, the Authority may disclose the Management Information to other Contracting Authorities in accordance with Clause 27.1.2 of this Framework Agreement.**

## FRAMEWORK SCHEDULE 18: DISPUTE RESOLUTION PROCEDURE

### 1. DEFINITIONS

1.1 In this Framework Schedule 18, the following definitions shall apply:

<b>"CEDR"</b>	means the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
<b>"Counter Notice"</b>	has the meaning given to it in paragraph 6.2;
<b>"Exception"</b>	means a deviation of project tolerances in accordance with PRINCE2 methodology in respect of this Framework Agreement or in the supply of the Services;
<b>"Expedited Dispute Timetable"</b>	means the accelerated timetable for the resolution of disputes as set out in paragraph 2.6;
<b>"Expert"</b>	means the person appointed by the Parties in accordance with paragraph 5.2 of this Framework Schedule 18;
<b>"Mediation Notice"</b>	has the meaning given to it in paragraph 3.2; and
<b>"Mediator"</b>	means the independent third party appointed in accordance with paragraph 4.2 of this Framework Schedule 18.

### 2. INTRODUCTION

2.1 If a Dispute arises then:

- 2.1.1 the Authority Representative and the Supplier Representative shall attempt in good faith to resolve the Dispute; and
- 2.1.2 if such attempts are not successful within a reasonable time either Party may give to the other a Dispute Notice.

2.2 The Dispute Notice shall set out:

- 2.2.1 the material particulars of the Dispute;
- 2.2.2 the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and
- 2.2.3 if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable as set out in paragraph 2.6, the reason why.

2.3 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Framework Agreement regardless of the nature of the Dispute and notwithstanding the referral of the Dispute to the Dispute Resolution Procedure set out in this Framework Schedule 18.

2.4 Subject to paragraph 3.2, the Parties shall seek to resolve Disputes:

- 2.4.1 first by commercial negotiation (as prescribed in paragraph 3);
- 2.4.2 then by mediation (as prescribed in paragraph 4); and

- 2.4.3 lastly by recourse to arbitration (as prescribed in paragraph 6) or litigation (in accordance with Clause 49 (*Governing Law and Jurisdiction*)).

Specific issues shall be referred to Expert Determination (as prescribed in paragraph 5) where specified under the provisions of this Framework Agreement and may also be referred to Expert Determination where otherwise appropriate as specified in paragraph 5 (Expert Determination).

- 2.5 In exceptional circumstances where the use of the times in this Framework Schedule 18 would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use of the Expedited Dispute Timetable within five (5) Working Days of the issue of the Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Authority.
- 2.6 If the use of the Expedited Dispute Timetable is determined in accordance with paragraph 2.5 or is otherwise specified under the provisions of this Framework Agreement, then the following periods of time shall apply in lieu of the time periods specified in the applicable paragraphs of this Framework Schedule 18:
- 2.6.1 in paragraph 3.2.3, ten (10) Working Days;
  - 2.6.2 in paragraph 4.2, ten (10) Working Days;
  - 2.6.3 in paragraph 5.2, five (5) Working Days; and
  - 2.6.4 in paragraph 6.2, ten (10) Working Days.
- 2.7 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension.

### 3. COMMERCIAL NEGOTIATIONS

- 3.1 Following the service of a Dispute Notice, the Authority and the Supplier shall use reasonable endeavours to resolve the Dispute as soon as possible, by discussion between the Authority's Representative and the Supplier's Representative, such discussions being commercial negotiations.
- 3.2 If:
- 3.2.1 either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiations, will not result in an appropriate solution; or
  - 3.2.2 the Parties have already held discussions of a nature and intent (or otherwise were conducted in the spirit) that would equate to the conduct of commercial negotiations in accordance with this paragraph 3; or
  - 3.2.3 the Parties have not settled the Dispute in accordance with paragraph 3.1 within thirty (30) Working Days of service of the Dispute Notice,

either Party may serve a written notice to proceed to mediation (a "**Mediation Notice**") in accordance with paragraph 4.

#### **4. MEDIATION**

- 4.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with CEDR's Model Mediation Agreement which shall be deemed to be incorporated by reference into this Framework Agreement.
- 4.2 If the Parties are unable to agree on the joint appointment of a Mediator within thirty (30) Working Days from service of the Mediation Notice then either Party may apply to CEDR to nominate the Mediator.
- 4.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if the Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.
- 4.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the procedure for variations under Clause 16.1 (Variation Procedure) where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

#### **5. EXPERT DETERMINATION**

- 5.1 If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to an ICT technical, financial technical or other aspect of a technical nature (as the Parties may agree) and the Dispute has not been resolved by discussion or mediation, then either Party may request (which request will not be unreasonably withheld or delayed) by written notice to the other that the Dispute is referred to an Expert for determination.
- 5.2 The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days, or if the person appointed is unable or unwilling to act, the Expert shall be appointed on the instructions of the President of the British Computer Society (or any other association that has replaced the British Computer Society).
- 5.3 The Expert shall act on the following basis:
  - 5.3.1 he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
  - 5.3.2 the Expert's determination shall (in the absence of a material failure by either Party to follow the agreed procedures) be final and binding on the Parties;
  - 5.3.3 the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (30) Working Days of his/her appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;
  - 5.3.4 any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within twenty (20) Working Days of the Expert's determination being notified to the Parties;

- 5.3.5 the process shall be conducted in private and shall be confidential; and
- 5.3.6 the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

## 6. ARBITRATION

- 6.1 The Authority may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of paragraph 6.4.
- 6.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Authority of its intentions and the Authority shall have fifteen (15) Working Days following receipt of such notice to serve a reply (a “**Counter Notice**”) on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with paragraph 6.4 or be subject to the jurisdiction of the courts in accordance with Clause 49 (Governing Law and Jurisdiction). The Supplier shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.
- 6.3 If:
  - 6.3.1 the Counter Notice requires the Dispute to be referred to arbitration, the provisions of paragraph 6.4 shall apply;
  - 6.3.2 the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts in accordance with Clause 49 (Governing Law and Jurisdiction), the Dispute shall be so referred to the courts and the Supplier shall not commence arbitration proceedings;
  - 6.3.3 the Authority does not serve a Counter Notice within the fifteen (15) Working Day period referred to in paragraph 6.2, the Supplier may either commence arbitration proceedings in accordance with paragraph 6.4 or commence court proceedings in the courts in accordance with Clause 49 (Governing Law and Jurisdiction) which shall (in those circumstances) have exclusive jurisdiction.
- 6.4 In the event that any arbitration proceedings are commenced pursuant to paragraphs 6.1 to 6.3, the Parties hereby confirm that:
  - 6.4.1 all disputes, issues or claims arising out of or in connection with this Framework Agreement (including as to its existence, validity or performance) shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (“**LCIA**”) (subject to paragraphs 6.4.5, 6.4.6 and 6.4.7);
  - 6.4.2 the arbitration shall be administered by the LCIA;
  - 6.4.3 the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this Framework Agreement and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;
  - 6.4.4 if the Parties fail to agree the appointment of the arbitrator within ten (10) days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
  - 6.4.5 the chair of the arbitral tribunal shall be British;

6.4.6 the arbitration proceedings shall take place in London and in the English language; and

6.4.7 the seat of the arbitration shall be London.

## **7. URGENT RELIEF**

7.1 Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

7.1.1 for interim or interlocutory remedies in relation to this Framework Agreement or infringement by the other Party of that Party's Intellectual Property Rights; and/or

7.1.2 where compliance with paragraph 2.1 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

**FRAMEWORK SCHEDULE 19: VARIATION FORM**

Variation Form No:

.....

BETWEEN:

**[insert name of Authority]** ("the Authority")

and

**[insert name of Supplier]** ("the Supplier")

1. This Framework Agreement is varied as follows and shall take effect on the date signed by both Parties:

**[Guidance Note: Insert details of the Variation]**

2. Words and expressions in this Variation shall have the meanings given to them in the Framework Agreement.
3. The Framework Agreement, 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 Authority

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

.....

## FRAMEWORK SCHEDULE 20: CONDUCT OF CLAIMS

### 1. INDEMNITIES

- 1.1 This Schedule shall apply to the conduct by a Party from whom an indemnity is sought under this Framework Agreement or any Call Off Agreement (the “**Indemnifier**”), of claims made by a third person against a party having (or claiming to have) the benefit of the indemnity (the “**Beneficiary**”).
- 1.2 If the Beneficiary receives any notice of any claim for which it appears that the Beneficiary is, or may become, entitled to indemnification under this Framework Agreement or any Call Off Agreement (a “**Claim**”), the Beneficiary shall give notice in writing to the Indemnifier as soon as reasonably practicable and in any event within 10 Working Days of receipt of the same.
- 1.3 Subject to Paragraph 1.5, on the giving of a notice by the Beneficiary, where it appears that the Beneficiary is or may be entitled to indemnification from the Indemnifier in respect of all (but not part only) of the liability arising out of the Claim, the Indemnifier shall (subject to providing the Beneficiary with a secured indemnity to its reasonable satisfaction against all costs and expenses that it may incur by reason of such action) be entitled to dispute the Claim in the name of the Beneficiary at the Indemnifier’s own expense and take conduct of any defence, dispute, compromise or appeal of the Claim and of any incidental negotiations relating to the Claim. If the Indemnifier does elect to conduct the Claim, the Beneficiary shall give the Indemnifier all reasonable cooperation, access and assistance for the purposes of such Claim, and the Beneficiary shall not make any admission which could be prejudicial to the defence or settlement of the Claim without the prior written consent of the Indemnifier.
- 1.4 With respect to any Claim conducted by the Indemnifier pursuant to Paragraph 1.3:
  - 1.4.1 the Indemnifier shall keep the Beneficiary fully informed and consult with it about material elements of the conduct of the Claim;
  - 1.4.2 the Indemnifier shall not bring the name of the Beneficiary into disrepute;
  - 1.4.3 the Indemnifier shall not pay or settle such Claim without the prior written consent of the Beneficiary, such consent not to be unreasonably withheld or delayed; and
  - 1.4.4 the Indemnifier shall conduct the Claim with all due diligence.
- 1.5 The Beneficiary shall be entitled to have conduct of the Claim and shall be free to pay or settle any Claim on such terms as it thinks fit and without prejudice to its rights and remedies under this Framework Agreement or any Call Off Agreement if:
  - 1.5.1 the Indemnifier is not entitled to take conduct of the Claim in accordance with Paragraph 1.3;
  - 1.5.2 the Indemnifier fails to notify the Beneficiary in writing of its intention to take conduct of the relevant Claim within 10 Working Days of the notice from the Beneficiary or if the Indemnifier notifies the

Beneficiary in writing that it does not intend to take conduct of the Claim; or

- 1.5.3 the Indemnifier fails to comply in any material respect with the provisions of Paragraph 1.4.

## **2. RECOVERY OF SUMS**

- 2.1 If the Indemnifier pays to the Beneficiary an amount in respect of an indemnity and the Beneficiary subsequently recovers (whether by payment, discount, credit, saving, relief or other benefit or otherwise) a sum which is directly referable to the fact, matter, event or circumstances giving rise to the Claim, the Beneficiary shall forthwith repay to the Indemnifier whichever the lesser is of:

2.1.1 an amount equal to the sum recovered (or the value of the discount, credit, saving, relief, other benefit or amount otherwise obtained) less any out-of-pocket costs and expenses properly incurred by the Beneficiary in recovering or obtaining the same; and

2.1.2 the amount paid to the Beneficiary by the Indemnifier in respect of the Claim under the relevant indemnity.

## **3. MITIGATION**

- 3.1 Each of the Authority or Contracting Authority and the Supplier shall at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Schedule.

## **FRAMEWORK SCHEDULE 21: TENDER**

### **1. GENERAL**

- 1.1 This Framework Schedule 21 sets out a copy of the Supplier's Tender including the Supplier's responses to the whole award questionnaire to the ITT.
- 1.2 Subject to Clauses 1.2.2 and 1.2.3, in addition to any other obligations on the Supplier under this Framework Agreement and any Call Off Agreement the Supplier shall provide the Services to Contracting Authorities in accordance with the Tender.

**[REDACTED]**