



POLICY DOCUMENT- Contract Breach



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Author	Sarah Ryan
Owner	Paul Inwood
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Key stakeholders	John Breeden / Lin Norbury (Contract Deployment Team), Paul Inwood (Agent Contracts and Policy Manager) Jessica Madron /Rodric Williams (Legal Services) Craig Tuthill (Head of Network Services), Angela Van Den Bogerd (Network Change Operations Manager), National Federation of Subpostmasters.

Approval

Role	Name(s)	Date
Business input	Legal services, Contract Deployment Team, Network Change Operations Manager	3 rd April 2014.
Assurance	Paul Inwood	4 th April 2014.
Authorised	Craig Tuthill	4 th April 2014.

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Version 5.0	Final version	04.04.14

SUBJECT: Agent Contract Breach

1. Executive summary

This policy document sets out how decision makers within Post Office Limited (POL) may act in relation to breaches of contract by Subpostmasters operating Subpostmaster Contracts and Operators of the New Model Agreements. This policy advises the appropriate action to take when dealing with breaches of contract and provides clear criteria by which decisions should be made.

2. Scope

The scope of this policy includes any serious breaches by Subpostmasters and material breaches by Operators of New Model Agreements. In the case of Operators only, it should be noted that a succession of non-material breaches may constitute a material breach. For non-material breaches by Operators the Contract Deployment Team should refer to both this policy and the established corrective action process. For less serious breaches by Subpostmasters, the Agents Contract Deployment Team should refer to the established corrective action process.

This policy does not apply to Franchisees or Franchise Agreements.

3. Glossary

Word/term	Definition
Agent(s)	Encompasses the terms Operator and Subpostmaster, but not Post Office franchisees
Appeal	The appeal process set out in the Subpostmaster Contract. Any references to "appeal" in this policy apply only to Subpostmasters. There is no right of appeal for an Operator.
Assistant	An employee of a Post Office Ltd Agent who is registered by the Agent with Post Office Ltd, to deal with Post Office Ltd transactions and information.
Material breach (New Model Contracts)	A serious breach of the Agreement between Post Office Limited and the Operator which could entitle POL to bring contractual action to immediately terminate the Agreement if there are no attempts to remedy the breach within 14 days or it is classified within the Agreement as a breach which is not capable of remedy.
Network Transformation or NT	Funding committed by Government to transform the Post Office network, to include longer opening hours and more accessible branches.
New Model(s)	Refers to all NT models, including Local and Mains.
NFSP	The National Federation of Subpostmasters is an independent member's organisation, and is the only organisation recognised by POL as representing Agents.
Non-material/less serious breach	A breach that does not give rise to a right to an immediate right to terminate a New Model or Subpostmaster contract
Operator	Refers to the legal entity contracted to run a New Model

	Network Transformation branch. For further information on the types of entity or business structure which may be an Operator, see section 15.0 below.
POL/We	Post Office Limited
Remedial action	Corrective action that can be taken by an Agent to remedy a breach of the contract
Serious breach	A breach of condition of the Subpostmaster Contract
Subpostmaster	The holder of a Subpostmaster Contract and includes the term Subpostmistress.

4.0 Introduction and purpose

4.1 Introduction

The formal roll out of the Network Transformation Programme began in 2012. The Government initially committed funding of £1.34 billion to transform 6,000 branches into New Model branches, and have subsequently provided funding of £640 million (subject to state aid clearance) to transform most of the rest of the network. These branches will operate on the New Model contracts and contain terms and obligations on Operators that do not appear in the Subpostmaster contract. As such, a policy is required to deal with breaches of contract in the New Models and Subpostmaster contract.

4.2 Purpose

The purpose of this policy is to provide clear direction to assist the Contract Deployment Team to deal with breaches of contract by Agents. This is a prescribed approach, which aids the decision making process, by outlining the criteria to be used by the Contract Deployment Team, Agents Contract Deployment Managers and Appeals Managers (where applicable), before reaching a decision.

5.0 Background

This policy mandates what decisions are to be made, by whom and how. This policy change requires systemic and behavioural change but does not require contractual change.

6.0 Change proposal

In an Agent's lifecycle, many events may occur and it is imperative that the Agents Contract Deployment Teams engage in dialogue with the Agent to understand the whole event and particularly in the context of breaches of contract, why the event occurred. They should then reach appropriate decisions based on that dialogue. The policy and supporting processes set out the following:-

- The primary decision that needs to be made at each stage
- The basis on which these decisions are made
- The person within POL who makes the decision

The policy is to be used by the Agents Contract Deployment Teams, Agents Contract Deployment Managers and Appeal Managers (where applicable) and does not require any changes to be made to the contractual agreements, neither New Model nor Subpostmaster contracts.

6.1 Intervention Events

Intervention events are events which require intervention by POL. These events may be a result of communication from another team e.g. the Branch Standards Team and/or the Audit Team, or from other sources such as customer/client complaints.

- Examples of Intervention Events: any indications that the Agent may not be performing their contract properly and/or customer complaints. An intervention event could be a material/serious breach or a non-material/less serious breach.
- Decision maker: Before any action is taken the Contract Deployment Team must first decide whether an Intervention Event has actually occurred. This should be achieved through discussions between the Contract Deployment Team and the appropriate team for example, Branch Standards Team and/or Audit teams.

6.2 Consequences of Intervention Events

When an Intervention Event occurs, it will usually lead to support intervention from POL to the Agent. Any support provided by POL is likely to be in the form of telephone-led training for the Agent, or a visit to the branch to discuss how to improve performance.

The aim is to produce an agreed action plan for the Agent to improve their performance. The Contract Deployment Team will need to decide the type of support intervention, if any, that is required. This should be achieved through discussions with the appropriate team for example, the Branch Standards Team and/or Audit teams.

For Operators of New Models only: If there is no improvement, following an agreed action plan with the Operator or if there is a succession (usually more than 3) of non-material breaches, this may (depending on circumstances) constitute a material breach and could lead to immediate termination of the New Model Contract.

Decision maker: The Contract Deployment Team should initially evaluate whether they think the succession of non-material breaches is sufficient to constitute a material breach and should then seek advice from Legal Services (via email through Paul Inwood, Agent Contract and Policy Development Manager) before taking any action.

A non-material breach will be recorded on the Operator's record for a 24 month period. After 24 months, these non-material breaches will be disregarded by POL when considering the appropriate action to take, and will not be regarded as accumulating to a material breach. Any further non-material breaches should however continue to be recorded and monitored to see whether more than 3 are recorded in any 24 month period. When considering whether an Intervention Event requires any further intervention from POL, it is important to be aware that doing nothing about a breach may mean that POL is understood to have accepted the breach and cannot complain about a similar breach in the future. This risk is relevant in determining the appropriate steps to take when a breach arises. If in doubt, please seek advice from Legal Services (via email through Paul Inwood, Agent Contract and Policy Development Manager) .

Again, for Operators of New Models only: There are certain breaches in the Agreement classified as being material breaches. They may be further classified as material breaches which are not capable of remedy. The breaches classified within the Agreement are not an exhaustive list and other breaches may also be material breaches and may or may not be capable of remedy. This depends on the circumstances of the breach and legal advice should be sought on whether a breach is material and/or capable of remedy when this is being considered (via email through Paul Inwood, Agent Contract and Policy Development Manager)

For material breaches that are capable of remedy, the Operator must be given a 14 day* period in which to take remedial action. This can be approached by using the appropriate letter found at the bottom of this document, with a follow up visit or call after 14 days, as necessary, to check whether the breach has been remedied.

If the breach is not remedied within 14 days, further action will be required. This will be dependent on the facts of each case and guidance should be sought from Legal Services (via email through Paul Inwood, Agent Contract and Policy Development Manager).

*In exceptional circumstances, the Contract Advisor may decide to allow a longer period to remedy the breach beyond the 14 days prescribed in the Agreement. This may be appropriate in circumstances for example, where an Assistant will need to be registered but the registration period is longer than 14 days. It should be noted on the Operators record if an extension is given and a reason provided for the extension.

For Subpostmasters, the current approach remains unchanged. Subpostmasters should be sent a warning letter, advising of the breach and how it should be rectified.

For all Agents it should be noted that there may be circumstances when an Intervention Event is also an Escalation Event, in which case contractual action may be required.

6.3 Escalation Events

Escalation Events are circumstances where a serious, or in the case of an Operator, a material breach, is identified which gives POL the right to take immediate contractual action and therefore requires POL to urgently decide what to do and take immediate action. Escalation Events apply to all Agents unless specifically specified.

- Examples of Escalation Events include but are not limited to: adverse audit findings; breach of restrictions/private business clause; non-registration of Assistants; loss of right to occupy premises; breach of data protection or confidentiality obligations; unauthorised change to opening hours; not complying with regulatory requirements or training; not attending training provided by POL; and, in the case of Operators only, a material breach which the Operator has not remedied despite having been given notice of the requirement to do so, or a material breach which is not capable of remedy
- Decision maker: As the action taken by POL is likely to be more significant for serious or material breaches, it is imperative that the Contract Deployment Team is satisfied that the action they propose to take is commensurate with the breach that has been suspected/confirmed. This should be discussed with the appropriate team for example; the Branch Standards Team and/or Audit Team and legal advice should be sought where appropriate (via email through Paul Inwood, Agent Contract and Policy Development Manager)

6.4 Consequences of an Escalation Event

Once the Contract Deployment Team has identified that an Escalation Event has or may have occurred further investigation of relevant issues and circumstances may be required.

7.0 Suspension

For all Agents, the default position when an Escalation Event has been identified should not automatically be suspension, and POL should only precautionary suspend where the contract gives POL the right to suspend and:

- (i) Further investigation of the suspected breach is likely to be difficult or impossible without it; or
- (ii) There is a significant risk to POL brand or POL cash/stock unless the Agent is suspended

In reaching a decision on precautionary suspension POL will take into account all relevant factors, including but not limited to, the following:-

- (a) Risk to POL funds;
- (b) Risk to POL brand or reputation;
- (c) The source of any risk and if the risk can be mitigated i.e. whether the Operator or Subpostmaster himself is thought to pose a risk, or whether the risk is limited to some or all of the Assistants*. For example the Operator may have been completely unaware of the circumstances leading to an Escalation Event, perhaps because they were absent.
- (d) Impact of suspension on customers and clients;
- (e) If someone has suffered loss or damage as a result of the suspected/confirmed breach, the identity of that injured party i.e. whether damage is limited to POL, or whether customers or clients have also been damaged;
- (f) Whether the Agent has cooperated following discovery of the Escalation Event including whether there has been any attempt by the Agent to cover it up;
- (g) Any relevant information provided by the Agent as part of an informal discussion/ telephone conversation/ written explanation. (It is for the Contract Advisor to exert their judgement in each individual case to ascertain whether the circumstances and reasons given are pertinent to the reasons for suspension.)

**For Operators only, the New Model agreements also give POL the right to obligate the Operator to suspend all or any of the Assistants involved in the operation of the branch and where precautionary suspension is thought to be necessary, this option should also be considered depending on the circumstances.*

The Contract Deployment Team should decide whether, on the facts, it is necessary to precautionary suspend the Agent so that they are not involved in the operation of the branch.

The Contract Deployment Team will complete the appropriate pro forma at the bottom of this document, and the final decision will be made by the Agents Contract Deployment Manager.

If the Agents Contract Deployment Manager decides to suspend the Agent, a letter should be sent to the Agent to inform them of their suspension (which can be found at the bottom of this document).

7.1 Investigation

It may not always be necessary for further investigation to be carried out, if it is deemed to be inappropriate or unnecessary, for example, insolvency of the Agent. The Contract Deployment Team will need to reach a decision, based on the individual facts of each case if preliminary

enquires suggest there will be no further investigation and Legal Services should be involved promptly (via email through Paul Inwood, Agent Contract and Policy Development Manager). The final decision rests with the Agents Contracts Deployment Manager.

7.2 Discussions

For Subpostmasters:

The process remains unchanged, they may be invited in to a Reasons to Urge interview which is formally recorded and copies of notes provided to the Subpostmaster. POL's position on their option to have representation present at the RTU remains unchanged from the Friends at Interview policy which can be found at the bottom of this document.

Subpostmasters may also continue to provide a written representation if they so wish.

Informal discussions:

For Operators only:

- There will be no Reasons to Urge interview.
- Operators of New Model Agreements do not have a right to an RTU or to attend an informal discussion throughout the course of the Contract Advisors investigations.
- In exceptional circumstances, the Contract Advisors may decide to invite the Operator for an informal discussion usually within 14 days from the date of the alleged breach to discuss the circumstances of the breach, if the Contract Advisor deems it necessary and/or helpful in the course of the investigation.
- This should not be used by the Contracts Advisor as a fact finding exercise, but an opportunity for the Operator to tell the Contracts Advisor their view of the on the circumstances leading to the breach and their explanation of how or why the breach occurred.
- This informal discussion should not be led by the Contracts Advisor and should be an opportunity for the Operator to present an explanation.
- This informal discussion should not be formally recorded although it is permissible for the Contracts Advisor to take a brief contemporaneous note as an aide memoire only. The purpose of any such notes is not to be a formal record and as such a copy should not be provided to the Operator, although the Operator may take his own notes if he chooses. The original notes should be kept by the Contracts Advisor and retained according to the normal business rules on document retention.

- If the Contract Advisor needs further clarification on matters but the Operator does not wish to meet, the Operator may provide a written explanation to provide detail on how and why the breach occurred. Alternatively the Contract Advisor may telephone the Operator to discuss these matters. It is important that this remains informal and is not comparable to an 'interview'.

Representation/persons present at informal discussions:

Operators of New Model Agreements do not have a right to representation or to ask another person to accompany them at any informal discussion.

To have a representative present would formalise this discussion and go beyond the realms of the purpose of the informality of this discussion.

However, in exceptional circumstances the Contracts Advisor may deem it appropriate for another person to be present. It must be remembered that this is not an automatic right. This may be if the Contracts Advisor feels that the attendance of another individual would assist with the progress of the discussion.

If an Operator asks if they can bring another person and the Contracts Advisor deems it appropriate for reasons similar to those above, checks should be carried out by the Contracts Advisor to determine:

- Their full name
- In what capacity they are attending
- If they are an Agent/Assistant whether they are still active and registered with POL
- That the person attending is not subject to the investigation themselves

The Contracts Advisor should only permit persons who would through the course of their usual work be exposed to the sensitive information pertaining to POL operations.

An Operator must not bring a lawyer to the discussion acting within their capacity as a lawyer without first advising the Contracts Advisor, as this will formalise the procedure and is not POL's intention. If the Operator wishes to meet with a lawyer, Legal Services should be contacted promptly (via email through Paul Inwood, Agent Contract and Policy Development Manager) and there should be liaison between with the Contracts Advisor and Legal Services to decide whether a lawyer from POL is required to attend and arrange availability if necessary.

Contracts Advisors must not refuse to meet the Operator, once they have been invited to the informal discussion. To do so could have significant legal implications.

7.3 Decision making

In making a decision about what contractual action to take against an Agent (if any), the Contract Deployment Team will take into account all relevant factors, including but not limited to:

- a) Impact and on-going risk to POL funds
- b) Impact and on-going risk to POL brand and reputation
- c) Effect of termination on customers
- d) Effect of termination on the Agent
- e) Any relevant information provided by the Agent including any mitigation presented
- f) Direct involvement or responsibility of the Agent in the actions which led to the breach
- g) Impact of the breach (as distinct from the proposed termination) on customers, suppliers and partners
- h) Identity of the injured party (if any) who has suffered loss or damage as a result of the breach, and whether this party is POL, customers or clients
- i) Agent's history i.e. service length and record, previous written directions/warnings etc.
- j) Legal advice

The Contracts Team must show their detailed reasoning in relation to the above in the pro forma and explain why points are preferred and others disregarded.

There should be no 'starting point' and consideration should not begin with one particular outcome as opposed to others. Where one or more criteria has been 'weighted' the reasoning for that needs to be made clear in the pro forma. If the Contract Deployment Teams are presented with a situation that requires a more complex assessment of the circumstances they should always seek the advice of Legal Services (through Paul Inwood, Agent Contract and Policy Development Manager, via email).

Unlike Subpostmasters operating Subpostmaster contracts, Operators of the New Model agreements who disagree with decisions made by the Contract Deployment Team will not be privy to automatic appeals when a decision has been made to terminate their agreement. There is no appeals process for Operators of New Model agreements.

8.0 Types of Action

Operators

Operators of New Model contracts may be subject to the following actions by POL for breach of contract:

- (i) Written direction with request for remedial action within 14 days (or longer if deemed appropriate by Contracts Advisor, see section 6.2 for further guidance)
- (ii) Written direction (this may be subject to conditions; e.g. repayment of any missing POL cash/stock and/or the Operator being willing to accept support intervention)
- (iii) Suspended termination
- (iv) Giving notice to terminate for the period specified in the contract, or a shorter period if agreed in writing with the Operator. For Mains, either party can give 12 months' notice to terminate. For Locals, either party can give 6 months' notice to terminate. In each case, the notice cannot be given so as to expire before 12 months' from the start date.
- (v) Immediate termination

Operators of New Model Contracts do not have the same terms and obligations as appear in the Subpostmasters' contract and there are key differences in the types of contractual action that should be taken (see section on Subpostmasters below).

In particular, it is not correct to use the term 'warning' in letters to Operators. It is imperative that we digress from phrases commonly associated with contracts of employment. Operators should instead receive a letter detailing a 'written direction' of the appropriate course of action they are expected to take in order to remedy the breach.

As previously mentioned, Operators of New Models do not have a right of appeal against decisions made by the Contract Deployment Team when a decision is taken to terminate their Agreement. In addition, Operators are not able to resign to avoid termination; however either POL or the Operator can give 12 months' written notice to terminate (for Mains) or 6 months (for Locals). The 12 or 6 months' notice cannot be given so as to expire before 12 months' from the start date. But, if POL and the Operator agree, less than 12 (or 6) months' notice of termination can be given.

Subpostmasters

Subpostmasters operating Subpostmaster Contracts may be subject to the following actions for breach of contract:

- (i) Written warning

- (ii) Final Written warning
- (iii) Suspended termination – this may be offered subject to conditions
- (iv) Three months' notice to terminate
- (v) Immediate termination

Agents operating multiple branches

If an Agent is operating multiple branches on different contracts (e.g. Subpostmaster and New Model contract) Contract Advisors must take the contractual action POL have the right to take under that specific contract and ensure they are dealt with distinctly.

If an Agent breaches their Subpostmaster contract and are terminated they are still able to operate their New Model branch.

However, if an Agent breaches their New Model contract and they are terminated POL also has the right to terminate their Subpostmaster agreement, because the New Model contracts contain a provision that allows POL to do this. Legal advice should be sought before making a decision on this (via email through Paul Inwood, Agent Contract and Policy Development Manager)

9.0 Proportionate outcomes

Any decision made by the Contract Deployment Team must be based upon the principle of 'balance of all probabilities' and be commensurate with the severity of the breach. The Contract Deployment Team should assess and investigate the full implications of taking contractual action and give due consideration to the other, often less severe, options available to them.

9.1 Suspended termination

If suspended termination is considered in any case, legal advice should always be taken (via email through Paul Inwood, Agent Contract and Policy Development Manager.) This is because there is a significant risk that if other contractual action is not taken promptly, the right to terminate for the breach may be lost and/or the breach may become accepted under the contract as adequate performance for which no remedy is available to POL.

Whilst immediate termination may be appropriate and/or necessary in circumstances where there is a substantial risk to POL cash and stock, the use of suspended termination may be appropriate in some circumstances. This decision should be taken by the Contract Deployment Team, ratified by the Agents Contracts Deployment Manager. Suspended termination would allow the Agent to continue running the branch.

This approach will be used in exceptional circumstances and may be considered appropriate where there is a clear breach of contract, and an action or omission by the Agent does warrant immediate termination but evidence is presented that suggests there is low impact of the breach (as distinct from the proposed immediate termination) on customers, suppliers, partners and low culpability (e.g. absent Subpostmaster/Operator and Assistant theft). In this instance, the Contracts Advisor should consider immediate termination of the contract but suspend that termination for a period of 12 months.

Furthermore, the Agent must comply with whatever conditions the Contracts Advisor determines, be that attendance for re-training, exclusion from a branch of named Assistants/managers and/or improvements to internal monitoring processes. These would not be designed as a punishment but as a means of rectifying weaknesses without which risk to Post Office cash, stock or reputation could continue. The Agent must agree not to repeat the breach in question.

If further material breaches are committed in the 12 month period the Contract Deployment Team should assess the seriousness of the most recent breach in isolation from the previous breach. If both breaches are of a similar nature or if the second breach is itself a material breach for which the contract could be immediately terminated, the Contract Deployment Team may decide to consider terminating the Agent's contract with immediate effect. Legal advice should always be sought before doing so.

10.0 Recording Database

It is essential that the Contract Deployment Team ensure that an accurate record of the breaches is maintained as they occur, with a clear audit trail to show the decision making process, including ratification by the Agents Contracts Deployment Manager in addition to any evidence that was presented by the Agent. Records of notes made when in communication with an Agent should be kept and filed according to the business rules on document retention. This will greatly assist if any challenge were to be brought against POL, legal or otherwise.

11.0. Process

Process maps to assist the Contract Deployment Team with their decision making are embedded in this document and should be consulted for every case.

12.0 Applicability

This Policy applies to Subpostmasters, and Operators of Main and Local agreements, and to communications and actions via the Contract Deployment Team in response to breaches of contract by Subpostmasters and Operators. It does not apply to Franchisees or Franchise Agreements.

13.0 Related policies

Burglary and Robbery

Changes to Opening Hours

Underperformance

Corrective action

NT fund recovery in SPMR contract termination cases

NT fund recovery in post agreement start date termination cases

PART 2**14.0 Entities and business structures**

It is important to understand who or what is legally responsible under the New Model Agreement or Subpostmaster Contract. The person or entity responsible under the contract may not be the same as the people who are Assistants within the business. Agents are operating under contracts for services and are not employees of POL.

The most common types of business structures are set out below:

Individual or "sole trader"	This is a legal person who has entered into the contract as an individual, and not on behalf of one of the other business structures in this table. This means that this individual is legally responsible, subject to the terms of the contract.
Limited company	Director(s) are responsible for running a limited company. It is the company itself which it is legally responsible, subject to the terms of the contract. Whilst POL may address correspondence to an individual within the company, such as a director, it is the company itself which is legally responsible for its actions. A company is therefore not the same as its directors or employees. Every limited company has shareholder(s) which are people or organisations who own shares in the company. A director may own shares in a company but does not have to.
Partnership	This is a business structure in which each partner shares personal responsibility for the business. The partners may be individuals or limited companies. Partnerships are often referred to as "firms" (e.g. solicitors' firms).

15.0 Standard letters






LIST OF LETTERS TO BE USED IN NEW MODEL CONTRACTS AND SENT TO OPERATORS (THIS INCLUDES COMPANIES AND PARTNERSHIPS).







THESE LETTERS ARE NOT TO BE USED FOR SUBPOSTMASTERS OR FRANCHISEES.**Important note:**

A number of these letters include footnotes which are for your use. The footnotes must be deleted before any letters are sent out and by way of reminder they have been highlighted in pink in the letters. Footnotes are deleted by selecting the footnote number e.g. 1 where it appears in the main text and pressing delete. Footnotes cannot be deleted from within the text of the footnote at the footer of the page.

Highlighted text should be selected to be included in the letter if appropriate, and if so, the highlighting should be removed before the letter is printed. Alternatively, if the highlighted text is not appropriate it should be deleted, Guidance is given on this in the footnote.








Breach is identified HAVE NOT suspended Operator:









Number	Letter name	Description
A1	Notification of investigation	<p>A problem is identified. The Operator is not suspended. A letter notifies them that POL is investigating.</p>  <p>A1 Notification of investigation letter.doc</p>
A2	Update on investigation	<p>The investigation is not completed and a holding letter is sent to the Operator to update them.</p>  <p>A2 Update on investigation letter.doc</p>
A3	Invite to informal discussion	<p>A letter to arrange an informal discussion.</p>  <p>A3%20Invite%20to%20informal%20discus</p>
A4	Notice of conclusion of investigation	<p>The investigation is concluded and the Operator has not committed a breach or the breach has been resolved and the Operator is informed the investigation has concluded.</p>  <p>A4 notice of conclusion of investig;</p>
A5	Written direction to remedy breach	<p>The investigation is concluded and the Operator is found to have committed a breach and is invited to remedy the breach within 14 days. This is a written direction rather than a threat to terminate. <i>(Note that this letter could be sent as the first contact with the Operator about the issue depending on the circumstances e.g. if there was no issue requiring investigation.)</i></p>  <p>A5 Written direction to remedy breach lett</p>
A6	Notice of termination of	The investigation is concluded and the Operator is found

	agreement if breaches not remedied	to have committed a material breach capable of remedy/ is failing to provide the Products and Services to the standards required and is invited to remedy the breach within 14 days failing which the Agreement will be terminated.  A6 Notice of termination of agreeen
A7	Notice of immediate termination where breaches not remedied	Immediate termination following a failure to remedy breaches within 14 days as required by letter A6 giving notice to remedy.  A7 Notice of immediate termination
A8	Notice of immediate termination	The investigation is concluded and the Operator's Agreement is immediately terminated.  A8 Notice of immediate termination
A9	Notice to terminate in 6 or 12 months	6 months' notice to terminate for locals or 12 months' notice for mains. There need not be any breach for this to be used and this can be considered as "termination for convenience".  A9 Notice to terminate in 6 or 12 m
A10	Consequences of termination for LOCALS ONLY	Letter notifying a locals Operator of the consequences of termination.  A10 Consequences of termination for Loc
A11	Consequences of termination for MAINS ONLY	Letter notifying a mains Operator of the consequences of termination.  A11 Consequences of termination for Mai




Breach is identified HAVE suspended Operator:


Number	Letter name	Description
B1	Confirmation of suspension template letter	A problem is identified. The Operator is suspended. A letter is sent to confirm suspension.


		 B1 Confirmation of Suspension letter.doc
B2	Consequences of suspension template letter LOCALS ONLY	A letter is sent to inform the Operator of a locals branch of the consequences of suspension.  B2 Confirmation of Suspension letter.doc
B3	Consequences of suspension template letter MAINS ONLY	A letter is sent to inform the Operator of a mains branch of the consequences of suspension.  B3 Confirmation of Suspension letter.doc
B4	Update on investigation – suspended Operator precedent letter	The investigation is taking longer than anticipated and a holding letter is sent to the Operator.  B4 Update on investigation - suspended Operator precedent letter
B5	Invite to informal discussion	A letter to arrange an informal discussion.  B5 Invite to informal discussion
B6	Notice of conclusion of investigation and reinstatement	The investigation is concluded. The Operator has not committed a breach and is reinstated.  B6 notice of conclusion of investigation and reinstatement
B7	Reinstatement of Operator subject to conditions	The investigation is concluded. The Operator is found to have committed a breach and is reinstated subject to conditions.  B7 Reinstatement of Operator subject to conditions
B8	Written direction to remedy breach	The investigation is concluded. The Operator is found to have committed a breach and is invited to remedy the breach within 14 days. This will be either before or after the Operator is reinstated depending on the circumstances and the type of breach. This is a written direction rather than a threat to terminate.

		 B8 Written direction to remedy breach lett
B9	Notice of termination of agreement if breaches not remedied	<p>The investigation is concluded. The Operator is found to have committed a material breach capable of remedy and is invited to remedy the breach within 14 days failing which the Agreement will be terminated.</p>  B9 Notice of termination of agreen
B10	Reinstatement as breaches have been remedied and agreement will not be terminated	<p>This letter is to be used where the Operator remedies the breaches following receipt of a B9 letter, and as a result the Operator is reinstated.</p>  B10 Reinstatement as breaches have bee
B11	Notice of immediate termination of agreement where breaches not remedied	<p>Immediate termination following 14 day notice to remedy.</p>  B11 Notice of immediate termination
B12	Notice of immediate termination	<p>Immediate termination.</p>  B12 Notice of immediate termination
B13	Notice to terminate in 6 or 12 months	<p>6 or 12 months' notice to terminate.</p>  B13 Notice to terminate in 6 or 12 rr
B14	Consequences of termination for LOCALS ONLY	<p>Letter notifying a locals Operator of the consequences of termination.</p>  B14 Consequences of termination for Loc
B15	Consequences of termination for MAINS ONLY	<p>Letter notifying a mains Operator of the consequences of termination.</p>  B15 Consequences of termination for Mai

Breach is identified BUT assistant/manager requires suspension/termination

Number	Letter name	Description
C1	Notice requiring suspension of Assistant template letter	A problem is identified. An assistant(s) is suspended. A letter is sent to confirm suspension.  C1 Notice requiring Suspension of assista
C2	Update on investigation – suspended assistant precedent letter	The investigation is taking longer than anticipated and a holding letter is sent to the Operator.  C2 Update on investigation - susper
C3	Invite to informal discussion	A letter to arrange an informal discussion.  C3%20Invite%20to%20informal%20discus

C4	Notice of conclusion of investigation and reinstatement	The investigation is concluded and the Assistants/Manager is "cleared" and is reinstated.  C4 notice of conclusion of investig;
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C5	Notice of requirement to replace assistant/manager	The investigation is concluded and the Assistants/Manager is found to be failing to attain the required standards and are required to be replaced.  C5 notice of requirement to replac
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If as a result of the investigation Post Office Ltd discovers that the Operator has committed a breach of the Agreement, then the appropriate letters from Scenario A can be used, with specific reference to the facts of the specific situation. This includes a situation where the Operator refuses to replace an unsuitable Assistant or Manager in accordance with Part 2, clause 16.3, which gives Post Office Ltd the right to terminate the Agreement.