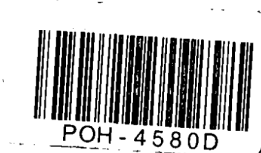


Colin Lenton- Smith  
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Forest Road  
FELTHAM  
MIDDLESEX TW13 7EJ

1008321  
C.S. HF  
R. B. Smith  
M.R.

16.07.02



Dear Colin,  
**Re: BIMS Incidents**



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In response to your letter of 25<sup>th</sup> October 2002, following consultation with our Business Service Management and Transaction Processing colleagues, our position regarding your proposals is as follows:

**Case Law 2:**

Given that ultimately there was no transaction error or inaccurate cash account we accept your proposal that no payment by Fujitsu Services is due in this instance,

**Case Law 3:**

As this incident was caused by an error in ECCO prior to migration, we accept your proposal that no payment by Fujitsu services is appropriate in this case.

**Case Law 4 & 5:**

We believe that Fujitsu Services have not been strictly following the agreed process for TIP interface, and therefore if this had been adopted there errors would not have occurred, in these instances we consider Fujitsu Services should bear the whole of the costs.

**Case Law 6:**

Page 2 of 2

Re: BIMS Incidents

There appears to be a contravention of the agreed Contractual position, which says in Schsdule Go1 para 3.6.5.3 "if the contractor discovers any Cash Account Error resulting from a Data Error prior to the relevant record being trnamitted by the Contractor to POLover the TIP interface, then the Contractor shall not transmit the relevant record but shall retain it and----" in this case we believe the entire liability is with Fujitsu Services.

**Case Law 7:**

We accept the proposal to pay £5,160, ( the transaction face value of the incidents), however the 2<sup>nd</sup> bullet condition is not agreed, this is because we believe Fujitsu Services responsibilities include the reconciliation of errors, the failure to do so has caused additional administrative problems for POL, therefore if any amounts were recovered from clients these would be retained by POL to defray these additional costs.

**Case Law 8:**

We agree with your proposal and look forward to repayment in the near future.

I hope that we can now resolve any outstanding issues and bring this matter to a close.

**M. J. Hannon**

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