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TO GRO

FAX TRANSMISSION



BIRD & BIRD

To: Pathway Group Limited

Atten/Ref: Tony Oppenheim

Fax No: GRO

From: Hazel Grant

Client: BA/POCL

Matter: CNT Meetings

Account No: BPOCL-1

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GRO

Message:

Dear Tony

CNT Minutes

Please find attached the minutes of a meeting held on 20 May. I should be grateful if you would copy these to the other attendees from Pathway.

With kind regards.

Yours sincerely

GRO

Hazel Grant

Copies
1 Henry G
Warren S
David H
John J
Martin J

Wed 2.30 pm. See Tony
CNT cancelled.

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F:

- Partners
- D Harris
- C E Camps
- J R Parker
- D M Goythwaite
- T M Cook
- R N Scott
- P J Christie
- F Smith
- D W Byam-Cook
- C J H Smith
- C P Hickson
- J R C Walby
- D Kerr
- M Macdonald
- D M C Stone
- C W Ross
- R S W Barry
- S J Hutner
- P D Quinlan
- H R Sandison
- D H Ayers
- R I Ward
- K R Graham
- C M Croshawite
- N T Jenkins
- R M Bicknell
- S K Topping
- T C C Tether
- H E Poinson
- V S Crook
- T R D Atkinson

- Consultants
- K T C Arnold
- S N L Chilton
- P J Darrin

**MINUTES OF MEETING HELD ON 20 MAY 1998
AT 90 FETTER LANE, LONDON, EC4A 1JP**

Present:

- | | | |
|-----------------|---|-------------------|
| Pat Kelsey | } | |
| John Cook | } | BA/POCL Programme |
| Stuart Riley | } | |
| Keith Baines | } | |
| | | |
| Tony Oppenheim | } | |
| Warren Spencer | } | ICL Pathway |
| Hilary Forest | } | |
| | | |
| Hamish Sandison | } | Bird & Bird |
| Hazel Grant | } | |

Agenda Item	Comment	Agreed Points and Action Points
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1 Minutes of Previous Meeting

Warren Spencer clarified item 2f (Implementation). In the third paragraph on page 5, the first sentence should read:

"At the end of the meeting, Warren Spencer added that the training strategy had been based on there being a maximum gap of five days between training of the personnel and when they first applied that training in practice".

[Underlined text shows added text.]

Agenda Item	Comment	Agreed Points and Action Points
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2 Actions Brought Forward

(a) Style Guide

Tony Oppenheim said that he had completed his action.

Pat Kelsey reported that the Authorities' actions had purposefully not been completed but thanked Tony Oppenheim for Pathway's work.

The reason for ignoring the actions as discussed above was that Pat Kelsey had spoken to John Meagher who had assured her that the matter was being dealt with by John Meagher and Terry Austin and was not a CNT matter. *(Clar)*

Tony Oppenheim said that he had discussed the Style Guide with Terry Austin who had reported that he would be able to carry out the textual changes required with which ICL could agree. However, Tony Oppenheim was concerned that the ground rules for agreeing the Style Guide had not yet been agreed and, therefore, the parties would not be able to agree the Style Guide itself.

Tony Oppenheim confirmed that Terry Austin had not passed his concerns onto John Meagher. *AES?*

Pat Kelsey agreed to speak to John Meagher and pass on Tony Oppenheim's concerns. *+ Pat moved phone AES.*

Pat Kelsey

(b) General Issues

This was an action on John Murray. As yet, no update had been provided to either the Authorities or ICL. Pat Kelsey and Tony Oppenheim agreed to check on the position with colleagues.

Pat Kelsey and Tony Oppenheim

Training workshop update. Martin

Meetings this morning (3/6/98) in theory to sign AZA's already agreed

Agenda Item	Comment	Agreed Points and Action Points
(c)	Registered Office Address	Warren Spencer
	✓ Warren Spencer said that the CCN had been drafted and would be presented to the Authorities before the next CNT.	<i>done</i> ✓
(d)	Acceptance Criteria	
	John Cook said that Mary Reade was continuing her action of compiling a list of discrepancies in Acceptance Criteria. At the moment, Mary Reade reported that there were no major issues. Tony Oppenheim said that he had spoken to John Dicks and that this was also Tony Oppenheim's understanding.	
(e)	Acceptance Specifications	
	John Cook reported that Mary Reade was discussing the specifications with Dave Hollingsworth. There was an action on Dave Hollingsworth to produce further documentation. Tony Oppenheim said that it was his understanding that a <u>final draft</u> was about to be issued.	
	It was agreed that the final action point on whether an Acceptance Specification did or did not constitute a <u>referenced document</u> was not an issue for CNT.	<i>from last minutes. action not reported here. (not sure we discussed it)</i>
(f)	Acceptance Specifications for areas not covered by Requirements	
	✓ Stuart Riley said that all parts of the contract should be covered by our review of acceptance specifications. Mary Reade was dealing with this point on an ongoing basis.	

Agenda Item	Comment	Agreed Points and Action Points
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(g) CARs

Tony Oppenheim agreed that this could be dealt with as an ongoing action. Tony Oppenheim had no further incidents to report. Pat Kelsey will review this point as and when a similar issue arises.

3 Agreements to Agree Update

John Cook handed to the meeting a sheet listing the status of Agreements to Agree. This sheet had been prepared between John Murray and Martin Johnston.

John Cook added a comment that of the 121 agreed Agreements to Agree, he was not aware of any having been presented as change control notes. Tony Oppenheim agreed with this point.

Hilary Forest will speak to John Cook and Martin Johnston on the streamlined process for converting Agreements to Agree into change control notes.

Pat Kelsey and Tony Oppenheim discussed methods of progressing the Agreements to Agree. As part of this discussion, the format of the present report was analysed. Pat Kelsey will meet with John Murray and Martin Johnston to discuss the format of the report. The format will be reviewed with Tony Oppenheim. Tony Oppenheim was happy with this method of proceeding and did not feel it necessary to attend the meeting as well.

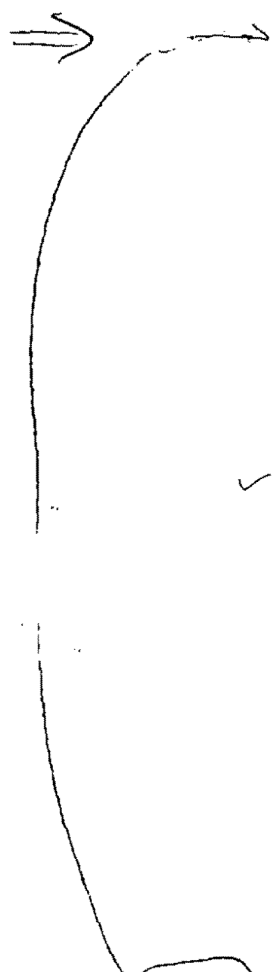
Stuart Riley said that George McCorkell had asked to be copied in on the Agreements to Agree report. George McCorkell was concerned to assist in resolving BA related Agreements to Agree and issues would be brought to the attention of the CAPS Programme Board. Tony Oppenheim said that this was helpful. It was agreed that a different format of report would be needed so that the same report could be copied to all interested parties.

in principle

now need 8/10 to the 15. can's

Hilary Forest
4 can's sent to Aliza yesterday
261, 262, 263, 264

Pat Kelsey



TONY A2A report said "Agreement on A2A documentation expected in April has not happened although this is not at present considered to be a risk"

4
this is a risk + is delaying NR2+
Do you want to amend minutes?
You registered. That

Done
C

Agenda Item	Comment	Agreed Points and Action Points
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4 Acceptance

✓ Pat Kelsey reported that she had spoken to Tony Oppenheim before the CNT on this issue.

✓ Pat Kelsey said that the Authorities were looking at acceptance on a broader base and analysing such questions as what would constitute acceptance, who would carry out acceptance and what were the risks involved.

Keith Baines said there was an action from the F&C forum to be taken to CNT. The action concerned what the parties would do about functions delayed from Releases. Pat Kelsey agreed to add this to the general discussion on acceptance.

Pat Kelsey

→ we said + meant missed from ^{TONY} ~~NR24~~ so we want to raise this? \oplus
5

Tony Oppenheim said that approximately 20-25 requirements would need to be reviewed in accordance with Hamish Sandison's test (as outlined in minutes of the previous meeting). Dave Hollingsworth was presently on holiday and had not been able to complete this work before leaving. Tony Oppenheim said he hoped this work could be completed before the next CNT.

Tony Oppenheim

he did say this but we haven't done
316/97

✓ Pat Kelsey said that Janet Brooks was dealing with the assessment of CCN234 on behalf of the Authorities. Comments were expected back between 22 May and 5 June. Pat Kelsey said that she had passed this information on to Tony Oppenheim who had given his opinion that these dates were too late.

Agenda Item	Comment	Agreed Points and Action Points
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Pat Kelsey had then spoken to Janet Books to see whether any action could be taken to improve the date for comment. Janet Brooks suggested that the CCN117 issues could be ring-fenced and this may help speed up the clearance of other issues.

It was agreed that Pat Kelsey would discuss this point with colleagues and update Tony Oppenheim following the report she was due to receive by close of business 28 May.

Pat Kelsey

Tony Oppenheim then raised a concern. He said that he had heard on several occasions that CCN117 issues should be ring-fenced. As far as Tony Oppenheim was concerned, it was not clear to him what issues within CCN117 needed to be ring-fenced. It was agreed that this point would be dealt with under the discussion of Change Control.

6 Change Control

(a) CCN117

*2/6/98
Agreed
Miller gave
more work*

Pat Kelsey explained that the Authorities were considering CCN117 and that they had received advice on the next steps. The steps being considered were first, that the Authorities should write to ICL setting out the formal legal position between the parties and the practical steps to be pursued. As far as the formal legal position was concerned, both Authorities had not signed a Change Control Note and, therefore, the Related Agreements remained as originally drafted. However, the Authorities appreciated that work had been carried out on the basis of authorisation from one Authority.

Tony

No - PJA

→ 

It was agreed that Pat Kelsey would telephone Tony Oppenheim before sending a letter addressing these points.

Pat Kelsey

Agenda Item	Comment	Agreed Points and Action Points
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Pat Kelsey said that before a letter could be sent, she would need to receive a brief from sponsors.

Harnish Sandison added that the two Authorities were agreed on how to resolve this issue as a practical matter. It was important for all parties to note however that this would not be a precedent for future resolution of issues not formally agreed through the Change Control procedure.

There then followed a discussion of the issues related to reinstating the functionality. Tony Oppenheim said that the issue for ICL was not what it might cost the parties to reinstate the functionality. The problem was more the operational implementation of this functionality. The Authorities had suggested padlocking this functionality. Tony Oppenheim believed that this was not possible as a technical solution.

Tony Oppenheim said it would be possible to reintroduce this functionality. However, it would be necessary to carry this out as a new Release. Introducing this functionality would require time due to the change in processes, re-education of staff etc. The functionality was not simply a case of unlocking a piece of software.

Stuart Riley and Tony Oppenheim then discussed the timing issue, i.e, the possible delay in introduction of this functionality. Tony Oppenheim said that the Authorities would need to accept that there would be a lead time to introduce this functionality

The meeting then turned to a list of Change Control Notes being managed by the Authority. A copy of this list had been sent by Altea Walker to Tony Oppenheim, although Tony Oppenheim had not yet received the list, but he had not been available to access his E-Mail. A copy of the list was circulated to members of CNT. There then followed a discussion of the CCNs listed.

*Carroll
Carroll
Opnts -*

*who in
+ we took
out*

*now sorry
we shouldn't
have.*

*TONY
do you want
to involve it
→ "letter would
be clearly
unwelcome"*

Agenda Item	Comment	Agreed Points and Action Points
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(b) 90 (B4)

Hilary Forest will chase this up.

Hilary Forest ✓

(c) 184 (L54) (182) (K) TONY

Tony Oppenheim appreciated that the benefit migration dates were sensitive at the moment. However, he said it would be helpful for him, for planning purposes, to have some advance information on the dates.

Sent. procedures to Stuart Kelsey by fax on 29th May.

ccn 182 shown as withdrawn on SW report. True? what should dropped now?

(d) SADD Version 4 ccn 2156

✓ John Cook said that this CCN had been rejected by him due to non-substantive drafting points but was now progressing. Tony Oppenheim was happy with this report.

to progress ccn producing PA 147e

(e) CR P46 double (P) TONY

Hilary Forest will check to see if ICL have received information on this CCN.

Hilary Forest checked with Lisa - nothing. "very very deep"

✓ Pat Kelsey asked whether the Authorities should be managing any other CCNs.

Tony Oppenheim said that the following should also be added to the list:

- ✓ CCN247 - File Definitions
- ✓ CCN254 - Interfaces
- ✓ CCN233 - RPI Pricing (John Cook reported that this was in the process of being signed off. Tony Oppenheim was content with this).
- ✓ CCN240 - BES PPD. Tony Oppenheim said that this was linked to CCN142e
- ✓ CCN243 - EVP. Tony Oppenheim said there has been a letter of approval on this CCN, but it was not yet signed off. Keith Baines said that the concern related to the use of definitions in this CCN and the fact that they appeared to be redefining defined terms within the Related Agreements.

action?



Agenda Item	Comment	Agreed Points and Action Points
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(f) CCN251 - RCD

Hamish Sandison said that he had looked at the draft CCN sent to him by Tony Oppenheim. His action was to see whether it was possible to produce words for the CCN to bridge the gap between the parties and allow the CCN to be "signed-off".

Hamish Sandison said that the exchange of correspondence attached to the CCN showed the following:

First, Colin Oudot wrote on behalf of the Authorities setting out caveats to the sign-off and stating that the sign-off was without prejudice until the replan had been finalised.

John Bennett had then replied on the basis that the parties should try to ring-fence those issues which were contractual and agree the other issues on a "with prejudice" basis.

As far as the Authorities were concerned, it appeared to Hamish Sandison that fundamentally they felt that they had to agree the whole package or nothing at all; they could not agree part only. Therefore, Hamish Sandison felt it was not possible to produce any words to bridge the gap between the parties.

Tony Oppenheim said that this conclusion was not a surprise to him.

In Tony Oppenheim's view, other than the "without" or "with prejudice" basis of the letter, the main issue was that new Release 2 was to be limited to 4,000 Post Offices. Pathway did not agree to this in principle.

There followed a discussion on whether this limit was reasonable. Tony Oppenheim's view was that the limit was unreasonable as the Related Agreements did not provide grounds to expect a better release than new Release 2.

Agenda Item	Comment	Agreed Points and Action Points
	<p>Hamish Sandison said that the Authorities were receiving a Release which was less than what was contractually provided for. Therefore, the Authorities felt that they would not be able to approve the Release for wider roll-out.</p>	
	<p>Tony Oppenheim said that the conditionality set out in Colin Oudot's letter related to functions which were in turn dependant on inputs from the Authority. In Tony Oppenheim's view, the Related Agreements as they presently stood had a primary and secondary release.</p>	
	<p>Some functions had been brought forward into a first Release. On some functions the Related Agreements were silent, e.g. EVP. Pathway were excused delay on the basis that Agreements to Agree and CCNs were outstanding. The limit of 4,000 Post Offices equated to approximately three months of roll-out. Therefore, effectively, the Authorities were saying that there was a three month period after which new Release 2+ would have to be provided.</p>	
	<p>Pat Kelsey then summarised the position. ICL were saying that, as inputs from the Authorities were awaited, they could not provide an end date for new Release 2+. On the other hand, the Authorities were saying that they were not willing to sign off new Release 2 without seeing an end date for new Release 2+.</p>	
	<p>As a method of resolving this issue, the Authorities suggested a limit of 4,000 Post Offices.</p>	
	<p>Tony Oppenheim agreed with this precis.</p>	
	<p>Pat Kelsey and Tony Oppenheim then discussed the inputs for which ICL were waiting. These are the following:</p>	
	<ul style="list-style-type: none"> • Soft EVP Specification • AP Smart • CAPs Online Interface Specification 	

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leave out?
TONY
short raised
not end date
for next month
he is not - he said
- consideration
being given to the
of security
therefore, I found
I don't think it
rolled out too
much

Pat Kelsey said she would follow up the Authorities' progress on the inputs and report back to Tony Oppenheim on Friday 22 May.

Pat Kelsey
letter to Dave
there's letter
see before
submitted

There followed a discussion of whether the Authorities were reasonable or unreasonable in withholding consent to the RCD. Tony Oppenheim and Hamish Sandison agreed to disagree on the point.

John Cook asked Tony Oppenheim how the present situation fitted with that under CCN105. Under CCN105, ICL wished to limit the roll-out before acceptance.

Tony Oppenheim said that as a practical matter, it would not be possible to stop roll-out overnight.

Post Office Counter Modifications

Hamish Sandison reported that he had advised David Miller on Warren Spencer's letter. Hamish Sandison was disappointed that ICL had not felt able to remain closer to the ADR procedure set out in Clause 807 the Related Agreements. It was Hamish Sandison's understanding at the last CNT that the parties would use the ADR procedure subject to any necessary amendments which could be agreed between the parties.

Instead, Warren Spencer's letter had suggested a radically different approach using arbitration. This would be based on the Arbitration Act and, therefore, there would be many differences in the process.

For example, the decision could be subject to appeal (whereas under the Related Agreements, the expert determination would not be subject to appeal). Clearly, this would have an effect on the timetable.

There followed a discussion between Hamish Sandison, Warren Spencer and Tony Oppenheim. It was agreed that the dispute resolution procedure would proceed on the following basis:

you said if
it's let us know
so we can try to
mitigate.

Agenda Item	Comment	Agreed Points and Action Points
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- ✓ There would be a panel of three and not one arbitrators/experts.
- ✓ The panel would be legally qualified.
- ✓ The decision of the panel would be binding and not subject to appeal.
- ✓ The panel would be provided with a fixed end date for it to provide their decision.
- ✓ ICL will cover the costs of carrying out the work pending the resolution of the panel, subject to POCL agreeing to pay back the costs with interest in the event the decision went against POCL.
- ✓ Work will continue whilst the panel is considering the issue and coming to its decision.
- ✓ The procedure would be based on Clause 807 with amendments agreed by the parties.

open book pricing/w/it. so that if you pay they can't argue.

Warren Spencer said that ICL would prefer to use arbitration procedures, for example, discovery.

Warren Spencer will write to Hamish Sandison by the end of Wednesday 27 May setting out his suggested amendments to the procedure in Clause 807 and the reasons for the suggested amendments. Warren Spencer will set out in this letter his agreement in principle to an end date, although he would not yet be able to provide an actual end date. Warren Spencer will consider use of a fixed period from the appointment of the last member of the panel.

Warren Spencer

*done Fri. 29/5/98
but might not be enough.
- one residual issue? evidence may be*

Keith Baines agreed to update Dave Miller on progress made during this meeting.

Keith Baines

8 Any Other Business

None

9 Next Meeting

2 pm - Wednesday 3 June at Bird & Bird