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26 JUN 2002

GRO

CODIFIED AGREEMENT

POST OFFICE COUNTERS LTD

- and -

ICL PATHWAY LIMITED

INFORMATION TECHNOLOGY SERVICES AGREEMENT FOR BRINGING TECHNOLOGY TO POST OFFICES

CODIFIED AGREEMENT

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Version control

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN313a to introduce Clause 512	
1.1b	Formatting changes only to aid version control (new header and footer)	
1.2a	Applying CCN245c to introduce Clause 102.5.4; CCN525 to Clauses 503, 504.3, 509.1; CC533 to postcode before recitals; CCN560 to Clause 606.2.1.1	
1.2b	Revising amendment to Clause 606.2.1.1	
1.2c	Revising clauses to change the function of A17 to record the baselining process (redlined against version 1.2b only)	
1.2d	Drafting revisions at clauses 102.5.1, 810.10 and 810.12	
1.2	Baseline copy of 1.2d	8 February 2000
1.3a	Incorporating CCN582 to 603.3.1	
1.3	Baseline copy of 1.3a (finalising schedule version table and correcting clause 810.10.2)	14 April 2000
1.4a	Applying CCN 619 with addition to Clause 202, modify Clause 206 and modify Clause 903.1.1	
1.4	Baseline copy of 1.4a	25 July 2000
2.0a	Applying CCN687 to 509.1	
2.0b	Addition of missing references to CCNs 699 & 720	
2.0	Baseline copy of 2.0b	12 January 2001
3.0a	Applying CCN768 to Clause 603.1	

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3.0b	Updating Index of Schedules, correction in 603.3.1 and adding CCNs 714, 734, 747, 751, 752, 755, 754c, 762, 767 and 776 to 810.10.5	
3.0c	Amending the error in the Index to show Schedule A06 at v2.0 instead of v3.0	
3.0	Baseline copy of 3.0c	19 September 2001
4.0	To introduce Network Banking Service	25 June 2002

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CODIFIED AGREEMENT

THIS CODIFIED AGREEMENT is made the 28th day of July, 1999

BETWEEN:

(1) Post Office Counters Ltd whose registered office is situated at Gavrelle House, 2-14 Bunhill Row, London EC1Y 8HQ; and

(2) ICL Pathway Limited whose registered office is at 26 Finsbury Square, London EC2A 1SL ("the Contractor").

RECITALS

WHEREAS:

(a) On 15th May, 1996, the Secretary of State for Social Security acting through and on behalf of the Department of Social Security and on behalf of the Department of Health and Social Services for Northern Ireland ("DSS") and POCL (collectively "the Authorities") entered into certain agreements (the "Related Agreements") for the design, development, integration and establishment by the Contractor of a computerised service infrastructure and for certain services to be provided thereon;

(b) Such agreements comprised:

(i) an agreement between DSS and the Contractor for, inter alia, the provision by the Contractor of services relating to a benefit payment card (the "DSS Agreement");

(ii) an agreement between POCL and the Contractor for, inter alia, the provision by the Contractor of the POCL Service Infrastructure and for certain services to be provided thereon (the "POCL Agreement"); and

(iii) an agreement among DSS, POCL and the Contractor for the supply of a service infrastructure and the provision of certain services which were of common interest to both DSS and POCL (the "Authorities Agreement");

(c) Each of the Related Agreements has been amended from time to time in accordance with the change control procedures contained therein;

(d) On 24th May, 1999, DSS and the Contractor entered into an agreement under which, inter alia, the DSS Agreement was terminated on that date;

(e) On 24th May, 1999 POCL and the Contractor entered into an agreement (the "Letter Agreement") under which they agreed that certain changes should be made to the POCL Agreement and the Authorities Agreement with effect from that date.

(f) Under the Letter Agreement POCL and the Contractor agreed, inter alia, to replace the POCL Agreement and the Authorities Agreement (each as amended under

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change control procedures) with a single agreement (the "Codified Agreement") codifying the changes to those agreements agreed in the Letter Agreement;

(g) This Codified Agreement is the Codified Agreement referred to in the Letter Agreement.

(h) Commencing early 2001 POCL defined its requirements for a Network Banking Service which will utilise the network of Post Office outlets for the delivery of a teller banking service. The Contractor produced a systems requirement specification setting out its proposals in response to those requirements, and on the parties signed CCN 850 which introduces the Network Banking Service and the PIN Pad Implementation Service which the Contractor will provide as POCL Services under the terms of this Codified Agreement.

NOW THEREFORE IT IS HEREBY AGREED as follows:

PART 1 : INTRODUCTION

Clause 101. Contract Structure

101.1 The Codified Agreement

Without prejudice to Clause 810.10 of this Codified Agreement, each of the POCL Agreement and the Authorities Agreement is hereby terminated and replaced by the provisions of this Codified Agreement with immediate effect.

101.2 Amendments to Clauses, Schedules and Annexes of this Codified Agreement

Unless expressly provided otherwise in the provisions of this Codified Agreement, the provisions of this Codified Agreement shall only be amended in accordance with the Change Control Procedure.

101.3 Failure by POCL to perform its Obligations

The Contractor shall not be liable to POCL for any failure to perform or delay in performing its obligations hereunder where the Contractor proves that such failure or delay has been directly caused by the failure of POCL to perform any of its obligations under this Codified Agreement. This Clause shall not apply to Clause 809, which shall be governed by the specific rule stated in Clause 809.2 and shall not apply to the NBS, which shall be governed by the provisions of Schedule N03.

Clause 102. Interpretation

102.1 As used in this Codified Agreement:

102.1.1 the terms and expressions set out in Schedule A1 shall have the meanings

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ascribed therein;

102.1.2 the masculine includes the feminine and the neuter; and

102.1.3 the singular includes the plural and vice versa.

102.2 A reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended by any subsequent statute, enactment, order, regulation or instrument or as contained in any subsequent re-enactment thereof.

102.3 Headings are included in this Codified Agreement for ease of reference only and shall not affect the interpretation or construction of this Codified Agreement.

102.4 References in this Codified Agreement to Clauses, Parts and Schedules are, unless otherwise provided, references to the clauses, parts and schedules of this Codified Agreement. References to CCDs and CRDs are to the documents agreed as such from time to time.

102.5.1 Subject to Clause 102.5.2, in the event and to the extent only of any conflict or inconsistency between provisions of this Codified Agreement, the following order of precedence shall apply:-

(a) the Clauses and Schedule A1;

(b) Schedules A2 to A14;

(c) the Service Definition Schedules and Schedules G6 and G12;

(d) Schedule A15;

(e) Schedule A16;

(f) all other Schedules except Schedule A17;

(g) CCDs and Schedule A17; and

(h) CRDs.

102.5.2 In the event of any conflict or inconsistency in relation to Service Levels, the provisions of the Service Level Schedules shall prevail over those of the Service Definition Schedules and Schedules A15, A16 and G6 (but not the Clauses or Schedules A1 to A14) to the extent of such conflict or inconsistency.

102.5.3 For the avoidance of doubt, POCL acknowledges that a particular solution in Schedule A16 shall not be treated as being in conflict or inconsistent with any

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requirement in Schedule A15, or the Service Definition Schedules or Schedule G6, merely because the solution states that the requirement will be met in a particular form, manner, quantity, time or place.

102.5.4 "Working Documents" do not affect or introduce any contractual obligations between any of the parties.

102.6 The Recitals are not legally binding, but are intended as a guide to the interpretation and construction of this Codified Agreement.

102.7 Where this Codified Agreement imposes upon either party an obligation which was also imposed on that party under the Authorities Agreement or POCL Agreement then to the extent that such obligation has been performed under the Authorities Agreement or POCL Agreement it shall be deemed to have been performed under the corresponding provision of this Codified Agreement (but continuing obligations shall continue under this Codified Agreement).

102.8 Where any provision of this Codified Agreement requires or permits a matter to be agreed between the parties or approved by either of the parties and such provision was also contained in the Authorities Agreement or POCL Agreement, any agreement reached or approval given under the Authorities Agreement or POCL Agreement shall be deemed to have been reached or given under the corresponding provision of this Codified Agreement.

102.9 References in CCDs, CRDs and Schedules agreed prior to the date of this Codified Agreement to NR2 or NR2+ shall be construed so as to refer to such of CSR or CSR+ as shall be appropriate having regard to the functionality of the item or service to which such reference relates, as determined by the SADD and any relevant Release Contents Description. Likewise, references in such CCDs, CRDs and Schedules to other items, services or matters affected by subsequent agreements between the parties (including this Codified Agreement) shall be construed to reflect most appropriately the effect of such subsequent agreements.

102.10 It is expressly agreed that Clause 201.6 and (notwithstanding that they refer to CCDs) the definitions of "Core System" and "CSR+" shall take precedence over all other provisions of this Codified Agreement (including the Schedules) which define the Core System, CSR+ the Core System Services or the POCL Services other than the Network Banking Service and the PIN Pad Implementation Service.

Clause 103. Severability

If any of the provisions of this Codified Agreement is judged to be invalid, illegal or unenforceable, the continuation in full force and effect of the remainder of them will not be prejudiced but such provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

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Clause 104. Law and Jurisdiction

104.1 This Codified Agreement shall be governed by and shall be interpreted in accordance with English Law and, subject to Clause 807, the parties submit to the exclusive jurisdiction of the English Courts.

104.2 Except as specified in Clause 101, this Codified Agreement is binding on POCL and its successors and permitted assignees and on the Contractor and the Contractor's successors and permitted assignees.

Clause 105. Entire Agreement

105.1 This Codified Agreement constitutes the entire understanding between the parties relating to the subject matter of this Codified Agreement. Each of the parties acknowledges that in entering into this Codified Agreement it has not relied on any representation, warranty, promise or assurance, whether or not in writing, and whether or not negligent, given or made by any other party as an inducement to enter into this Codified Agreement. Accordingly no party shall have any right of action (except in the case of fraud) against any other party arising out of any such representation, warranty, promise or assurance.

105.2 This Codified Agreement supersedes the Letter Agreement, the schedules to the Letter Agreement, the Heads of Agreement referred to in the Letter Agreement, the POCL Agreement and the Authorities Agreement, each of which shall be of no further effect (but without prejudice to rights and liabilities of the Parties accruing under the Letter Agreement, the schedules thereto or the Heads of Agreement between 24 May, 1999 and the date of this Codified Agreement).

105.3 The parties acknowledge that the consent agreement (the "Consent Agreement") dated 16th September, 1997 among DSS, POCL, ICL plc, the Contractor and ICL Pathway Asset Company Limited shall not be terminated by the execution of this Codified Agreement and that references in the Consent Agreement to the "POCL Agreement", the "Authorities Agreement" or the "Related Agreements" or any provisions thereof shall be references to this Codified Agreement or (as the case may be) the equivalent provisions of this Codified Agreement.

Clause 106. General Principles

106.1 POCL shall control the rights for using and marketing the POCL Services provided in post offices. The Contractor shall have no control over the use or marketing of the POCL Services.

106.2 The Contractor shall offer all reasonable assistance to POCL in preventing fraudulent use of the POCL Services and POCL Service Infrastructure by POCL's employees and Agents.

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106.3 The POCL Services and the POCL Service Infrastructure shall be provided in accordance with and comply with all relevant applicable industry standards, as these are listed in Schedule A2.

106.4 The Contractor shall, if so requested by POCL, work with POCL to identify and develop new business opportunities for POCL and the Contractor.

106.5 For the avoidance of doubt, the Contractor shall ensure migration of appropriate automated systems without any reduction in existing service or security levels to POCL's clients and customers.

106.6 Except as otherwise agreed from time to time between POCL and the Contractor, POCL will retain control itself of its critical business processes and relationships, such as:

106.6.1 customer interface, including quality of service (such as queuing time and other customer charter measures) to its customers, network format, location of offices and service standards;

106.6.2 contractual relationships with Agents;

106.6.3 contractual relationships with its clients;

106.6.4 policy control of its network;

106.6.5 its reconciliation, settlement and key infrastructure support processes;

106.6.6 its relationship with its suppliers; and

106.6.7 its product and service design.

106.7 The Contractor shall not restrict POCL from using the POCL Services and the POCL Service Infrastructure for its existing and future clients, Agents, customers, products and services.

106.8 The Contractor's and its subcontractors' contacts with Agents shall be arranged via POCL.

106.9 The POCL Service Infrastructure (other than any Public Service Telecommunications Networks) may not be used other than by POCL without the prior written consent of POCL to provide any services to:

(a) POCL's current clients in respect of current products and services;

(b) POCL's current clients in respect of new products and services;

(c) new clients in respect of current products and services;

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(d) new clients in respect of new products and services; or

(e) POCL's current market domains (including:

- personal cash and banking services - cash withdrawals and deposits, cashing cheques, benefit payments and postal orders;
- communications - letter and parcel services including stationery and greetings products, other telecommunications retail products and services;
- corporate cash services - cash management services for business customers, including business deposits, cash handling and processing;
- entertainment and leisure services - lotteries, fishing licences, membership applications, TV licences and cable TV bill payment, tickets for events;
- personal savings and budgeting - savings and investment accounts, household bill payment and pre-payment, credit services, personal pensions, household insurance;
- travel services - foreign exchange, international money transfer and documentation including passports, travel tickets and motor vehicle licences, car insurance and membership of motoring organisations, travel insurance;
- insurance - other general risk insurance and life assurance products;
- information services - about the products and services offered by POCL and its clients;
- benefit payment services).

106.10 The Contractor shall deliver and continue to provide a secure system in respect of all transactions which as far as this Codified Agreement requires eliminates the potential for any fraud or unauthorised disclosure of data and provides detection procedures and significant barriers to attacks from internal conspiracy and collusion to defraud POCL.

106.11 The POCL Services (other than the NBS and the PIN Pad Implementation Service) and the POCL Service Infrastructure shall be capable of introduction in all post offices. The NBS shall be capable of introduction at all automated Counter Positions, mobile configurations (as described in row 8 of Annex 5 to Schedule A12), Admin Positions and trolley based solutions in Outlets in each case wherever there is a network connection, subject to the overall limits applicable to each as set out in Schedule A12. The PIN Pad Implementation Service shall be capable of implementation at all automated Counter Positions, mobile configurations (as

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described in row 8 of Annex 5 to Schedule A12), Admin Positions and trolley based solutions in Outlets, subject to the overall limits applicable to each as set out in Schedule A12.

106.12 For the avoidance of doubt, and without limitation to the generality of Clause 902.2, any failure by the Contractor to comply with any of the provisions of Clauses 106.7, 106.8 or 106.9 shall be treated as a Default for the purposes of Clause 902.2.

PART 2 : PERFORMANCE OF POCL SERVICES AND SUPPLY OF PRODUCTS

Clause 201. Performance of Core System Services

201.1 [Not used]

201.2 Subject to Clause 201.6 the Contractor shall be responsible for meeting the requirements specified in Schedule A15 in accordance with the Solutions specified in Schedule A16 by performing the Core System Services referred to in Clause 201.3. However, for the avoidance of doubt, and subject to Clauses 102.5 and 201.6, the parties acknowledge that POCL's acceptance of the Contractor's solutions in Schedule A16 and their agreement to the service descriptions contained in the relevant Schedules of this Codified Agreement, shall not relieve the Contractor of its obligation to meet such of those requirements specified in Schedule A15 as relate to the Core System, CSR+ and, subject to Clause 301.10, other Releases as referred to in Clause 210.

201.3 Subject to Clause 201.6 the Contractor shall perform the following Core System Services in accordance with all applicable provisions hereof:

201.3.1 the Development Services pursuant to Clause 403;

201.3.2 the Implementation Services pursuant to Clause 404;

201.3.3 the Operational Services pursuant to Clause 405;

201.3.4 the Management Services pursuant to Clause 602; and

201.3.5 the Transfer Services pursuant to Clause 904.

201.4 The Contractor shall, at no cost to POCL:-

201.4.1 strip out from, or suppress in, the Core System Release the functionality of; and

201.4.2 strip out from CSR+

all software relating exclusively to the aborted benefit encashment service or to PAS or CMS (as defined under the DSS Agreement).

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201.5 To support the performance of the POCL Services, the Contractor shall supply to POCL one hard copy and one electronic copy of each version of the Service Architecture Design Document in accordance with all applicable provisions hereof. For the avoidance of doubt, the Contractor acknowledges that agreement by POCL to the SADD shall not relieve the Contractor of its obligation to continue to perform the POCL Services in accordance with all applicable provisions of this Codified Agreement

201.6 Notwithstanding any other provision of this Codified Agreement to the contrary, the Contractor's obligations in relation to those elements of the Core System Services which are dependent on software releases are limited to the provision of:-

(a) following the Core System Release, such of those elements as are dependent on the Core System Release;

(b) following CSR+, such of those elements as are dependent on CSR+; and

(c) in further Releases pursuant to Clause 210, such additional Core System Services as may be agreed in accordance with the Change Control Procedure and the provisions of Clause 301.10

and references to the Core System Services and any category of them shall be construed accordingly.

Clause 202. Performance of Optional POCL Services

POCL shall have the option, exercisable on prior written notice to the Contractor, of obtaining any of the Optional POCL Services described in Schedule C1.

Such Optional POCL Services shall be performed in accordance with all applicable provisions hereof.

Notwithstanding any other provision in this Codified Agreement, or in any CCD or CRD, to the contrary, the Contractor shall not be obliged to carry out Services as Operational Business Change, or otherwise supply equipment, in excess of the limits relating to Counter positions, Horizon configurations, single position gateway configurations and multi-position gateway configurations set out in rows numbered 3 to 6 in Annex 5 to Schedule A12 to this Codified Agreement.

Clause 203. Performance of POCL Client Services

The Contractor shall provide POCL with such services as may be agreed by the Contractor and POCL in relation to Royal Mail, DVLA, DNS, Girobank plc and the Co-operative Bank plc (and other POCL clients as may be agreed). Such services shall be performed in accordance with all applicable provisions of this Codified Agreement.

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Clause 204. Performance of Additional POCL Services

The Contractor undertakes to perform at any time during the term of this Codified Agreement such Additional POCL Services as may be agreed by it and POCL in accordance with the provisions of Clause 101.2 for the purposes contemplated by this Codified Agreement and within the scope of the Advertisement. Such Additional POCL Services shall be performed in accordance with all applicable provisions of this Codified Agreement.

Clause 205. Supply of Core System Products

205.1 To support the performance of the POCL Services, the Contractor shall supply the following Core System Products in accordance with all applicable provisions hereof:

205.1.1 all of the Products comprising the POCL Service Infrastructure;

205.1.2 the Documentation.

205.2 The Contractor warrants that the Documentation comprises:

(a) a complete set of operating manuals; and

(b) a complete set of manuals for the POCL Service Architecture.

205.3 In addition to one hard copy of the Documentation provided by the Contractor, the Contractor shall provide POCL with an electronic copy at no additional charge.

Clause 206. Supply of Optional Products

POCL shall have the option, exercisable on prior written notice to the Contractor, of obtaining, as Optional Products, all or any items specified in paragraph 12 of Schedule A12 to this Codified Agreement which are of the same type as the equivalent elements of the POCL Service Infrastructure provided by the Contractor for use on the POCL Premises.

The Optional Products shall be supplied in accordance with all applicable provisions hereof.

Clause 207. Supply of Additional Products

The Contractor undertakes to supply at any time during the term of this Codified Agreement such Additional Products as may be agreed by it and POCL in accordance with the provisions of Clause 101.2 for the purposes contemplated by this Codified Agreement and within the scope of the Advertisement. Such Additional Products shall be supplied in accordance with all applicable provisions hereof.

Clause 208. Supply of POCL Consumables

POCL shall have the option of obtaining all or any of the POCL Consumables in such quantities as may be reasonably required by POCL by giving the Contractor not less than thirty (30) days prior written notice thereof. The POCL Consumables shall be supplied in

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accordance with all applicable provisions hereof.

Clause 209. Contractor Consumables

The Contractor shall provide all Contractor Consumables which are required for the performance of the POCL Services.

Clause 210 Further Releases

210.1 Subject to the Change Control Procedure, further Releases of Software to provide additional functionality relevant to the Core System shall be provided by the Contractor by way of upgrades to CSR or CSR+.

210.2 The Contractor may also issue further Releases of Software from time to time as necessary to remedy defects in the provision of the POCL Services or for the purpose of maintenance of the POCL Service Infrastructure.

Clause 211 Further Use of the Core System

In parallel with the performance of the Contractor's obligations under this Codified Agreement, POCL confirms its desire to use the Core System for the provision of services (via smart cards) for Modern Government. POCL will therefore work with the Contractor to revive and continue the discussions on the Public Private Partnership considered by the parties prior to the date of this Codified Agreement. It is hoped that the parties can together develop a business strategy in these areas which they can deliver through appropriate arrangements under a Public Private Partnership in order to leverage the use of the Core System and develop to the full POCL's potential for the delivery of electronic business services.

Clause 212 Performance of Network Banking Service

The Contractor shall perform the Network Banking Service pursuant to Clause 413 and in accordance with all applicable provisions hereof.

Clause 213 Performance of PIN Pad Implementation Service

The Contractor shall perform the PIN Pad Implementation Service pursuant to Clause 415 and in accordance with all applicable provisions hereof.

PART 3 : CONSIDERATION

Clause 301. Charges

301.1 Core System Charges

The Charges for the provision of the POCL Service Infrastructure and the Core System Services shall be calculated in accordance with Part A of Schedule A12 to this Codified Agreement.

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301.2 Charges for Optional POCL Services

The Charges for any Optional POCL Services shall be calculated in accordance with paragraph 8 of Schedule A12 to this Codified Agreement.

301.3 Charges for POCL Client Services

The Charges for any POCL Client Services shall be calculated in accordance with paragraph 9 of Schedule A12 to this Codified Agreement.

301.4 Charges for Additional POCL Services

The Charges for Additional POCL Services shall be as set out in paragraph 10 of Schedule A12 to this Codified Agreement.

301.5 Core System Products

The costs of supply of the Core System Products are included within the charges referred to in Clause 301.1 above.

301.6 Optional Products

The Charges for the supply of any Optional Products shall be calculated in accordance with paragraph 12 of Schedule A12 to this Codified Agreement.

301.7 Additional Products

The Charges for the supply of any Additional Products shall be calculated in accordance with the Contractor's then current list prices but shall in no event exceed the prices then generally offered in the United Kingdom for such products on similar terms.

301.8 POCL Consumables

The Charges for the supply of any POCL Consumables shall be as specified in Schedule B4.

301.9 Contractor Consumables

All Contractor Consumables shall be supplied at the expense of the Contractor.

301.10 Further Releases

301.10.1 Further releases of Software which fall within Clause 210.1 shall be provided either:-

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301.10.1.1 on the basis of appropriate time and material charges (as set out in paragraph 14 of Schedule A12) which shall be invoiced monthly in arrears; or

301.10.1.2 for a fixed price to be agreed (on payment terms to be agreed) which shall not be audited

as elected by POCL.

301.10.2 Further releases of Software which fall within Clause 210.2 shall be provided at no cost to POCL.

301.11 Charges for Network Banking Service

The Charges for the provision of the Network Banking Service shall be calculated in accordance with part C of Schedule A12 to this Codified Agreement.

301.12 Charges for PIN Pad Implementation Service

The Charges for the provision of the PIN Pad Implementation Service shall be calculated in accordance with part D of Schedule A12 to this Codified Agreement.

Clause 302. Packaging

No additional charge shall be made for packaging used by the Contractor. All such packaging shall be removed by the Contractor at no additional cost when no longer required.

Clause 303. Payment

303.1 In consideration of the supply of the Products and the performance of the POCL Services in accordance with the provisions of this Codified Agreement POCL shall pay the Charges.

303.2 Payment of Charges in relation to the POCL Services performed hereunder shall be made in accordance with the invoicing and payment procedure specified in Schedule A10.

303.3 In the event that the Contractor, in accordance with the terms of this Codified Agreement, enters into a supply contract or a sub-contract in connection with this Codified Agreement, the Contractor shall ensure that a term is included in the supply contract or sub-contract which requires the Contractor to pay all sums due thereunder to the relevant supplier or sub-contractor within a specified period, not to exceed thirty (30) days, from the date of receipt of a valid invoice as defined by the terms of the supply contract or sub-contract (as appropriate).

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Clause 304. Value Added Tax

It is hereby agreed that the Charges are exclusive of Value Added Tax, which POCL shall pay to the Contractor at the rate and in the manner prescribed by law from time to time, subject to the production by the Contractor of a valid tax invoice giving the requisite details of the taxable supply.

PART 4 : DEVELOPMENT, IMPLEMENTATION AND PERFORMANCE OF OPERATIONAL SERVICES

Clause 401. Transfer of Assets and Agreements

401.1 Sale and Purchase

401.1.1 POCL, free of encumbrances, liens, charges, mortgages, pledges or other third party rights, shall sell and transfer and the Contractor shall purchase and accept the POCL Transferred Assets (if any) listed in Schedule A9.

401.1.2 Subject to Clause 401.1.3, the POCL Transferred Assets are sold and transferred by POCL to the Contractor "as is" and POCL provides no warranty as to the state, quality or fitness for purpose of the POCL Transferred Assets and all such statutorily implied warranties are hereby excluded. POCL warrants it has good title to the POCL Transferred Assets.

401.1.3 To the extent to which POCL is legally able to do so, POCL hereby assigns all POCL's rights against manufacturers, suppliers and third parties in respect of the POCL Transferred Assets to the Contractor. POCL shall at the Contractor's request and expense give to the Contractor reasonable assistance to enable the Contractor to enforce such rights.

401.1.4 Title to and risk in the POCL Transferred Assets shall pass to the Contractor on the Transfer Date.

401.2 Sale Consideration

401.2.1 As consideration for the agreement by POCL to sell the POCL Transferred Assets, the Contractor hereby agrees to pay to POCL the sum of £1 (if and when requested).

401.2.2 It is hereby agreed that the sum to be paid pursuant to this Clause 401.2.1 is exclusive of Value Added Tax, which the Contractor shall pay to POCL at the rate and in the manner prescribed by law from time to time, in addition to the sum payable in Clause 401.2.1, subject to the production by POCL of a valid tax invoice giving the requisite details of the taxable supply.

401.3 ISDN Lines

401.3.1 With effect from the Transfer Date POCL shall assign to the Contractor the

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benefit of all agreements entered into between POCL and British Telecom Plc to the extent relating to the provision of ISDN lines in Outlets in connection with services to be migrated to the POCL Services (the "Relevant ISDN Agreements") and the Contractor agrees to assume and duly perform all of POCL's obligations in relation to the Relevant ISDN Agreements. The parties shall, unless otherwise agreed, enter into a deed of novation with British Telecom PLC to effect such assignment and assumption on the Transfer Date or as soon as reasonably practicable thereafter.

401.3.2 POCL undertakes to pay, discharge and satisfy all liabilities and obligations arising in the period up to the Transfer Date when the same fall due to be paid, satisfied or discharged in respect of the Relevant ISDN Agreements and to indemnify the Contractor from and against such liabilities and against any and all losses, costs, liabilities and expenses arising out of or in connection therewith. The Contractor undertakes to reimburse POCL upon the Transfer Date in respect of all pre-payments made by POCL which relate to any period following the Transfer Date. The Contractor and POCL shall prior to the Transfer Date prepare and agree a written statement itemising such pre-payments.

401.3.3 The Contractor undertakes to pay, discharge and satisfy all liabilities and obligations arising after the Transfer Date when the same fall due to be paid, satisfied or discharged in respect of the Relevant ISDN Agreements and to indemnify POCL from and against such liabilities and against any and all losses, costs, liabilities and expenses arising out of or in connection therewith.

401.4 Completion

401.4.1 Completion of the sale and purchase and/or transfer shall take place on the Transfer Date at the offices of POCL.

401.4.2 Upon completion POCL shall deliver to the Contractor:

401.4.2.1 quiet possession of all the relevant POCL Transferred Assets;

401.4.2.2 executed documentation sufficient for the purpose of transferring title to the relevant POCL Transferred Assets;

401.4.2.3 copies of documentation relating to the Relevant ISDN Agreements including relevant technical information and terms and conditions of such Relevant ISDN Agreements.

401.4.3 Upon completion of the Transfer the Contractor shall pay to POCL in a manner to be agreed between the parties the sum specified in Clause 401.2.1.

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401.5 Transfer of Undertakings (Protection of Employment) Regulations 1981

401.5.1 In the event that, by virtue of the application for whatever reason of the Transfer of Undertakings (Protection of Employment) Regulations 1981 (as amended or replaced from time to time) to the assumption of responsibility by the Contractor for the provision of all or any part of the POCL Services hereunder, there is transferred to the Contractor any contract of employment of any employee of POCL, and provided that the Contractor:

(i) shall not have offered employment to such employee or otherwise have encouraged him to seek or to claim employment with the Contractor; and

(ii) shall have notified POCL in writing of the Contractor's intention to terminate the employment of such employee at least fourteen (14) days before terminating such employment; and

(iii) shall immediately after such notification to POCL have given POCL reasonable opportunity to offer such employee reemployment with POCL; and

(iv) shall have terminated the employment of such employee as soon after the date on which the Contractor first became aware of the transfer to it of his employment as permitted under the relevant contract of employment,

POCL, subject always to the Contractor's proper observance of its obligations under this Clause, shall fully indemnify the Contractor from and against any and all liabilities and obligations which the Contractor may incur in connection therewith (including any liabilities and obligations, accruing prior to such transfer of employment, in relation to personal injury, sexual discrimination and any liabilities and obligations arising after such transfer of employment on the subsequent termination of employment by the Contractor of any such employees so transferred to it).

401.5.2 In the event of any claim or demand being made or action brought to which Clause 401.5.1 applies, POCL shall be promptly notified thereof and POCL shall at its own expense conduct all negotiations for settlement of the same and any legal proceedings that may arise therefrom. The Contractor, its sub-contractors, agents and employees shall at the request of POCL afford all reasonable assistance for the purpose of contesting any such claim or demand or action and shall be repaid any reasonable expense incurred in so doing and shall not make any admissions which may be prejudicial to the defence of any such claim or demand or action.

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Clause 402. Operational Trial

402.1 This Clause 402 and Schedules L1 to L5 shall not apply in respect of the Network Banking Service or the PIN Pad Implementation Service. The Contractor shall, during the Operational Trial Period, make available the Operational Trial System for the Operational Trial as set out in Schedules L1 to L5 to be performed in accordance with the timetable set out in Schedule L2

402.2 The objectives of the Operational Trial shall be as specified in Schedule L1.

402.3 Operational Trial and the Operational Trial System shall be used to test the Core System for the purposes of Schedule A11.

402.4 [Not used]

402.5 [Not used]

402.6 [Not used]

402.7 POCL will perform its Operational Trial Responsibilities as set out in Schedule L4.

402.8 For the avoidance of doubt, the Contractor acknowledges that successful completion of acceptance testing of any part of the Operational Trial System shall not relieve it of its obligation to continue to perform the POCL Services hereunder in accordance with all applicable provisions hereof.

402.9 Notwithstanding the foregoing provisions of this Clause, POCL shall have no right of termination of this Codified Agreement in relation to failure of the Operational Trial System successfully to complete the Operational Trial except in accordance with Schedules A11 and L5.

Clause 403. Development Services

The Contractor shall perform the following Development Services:

403.1 development of the Automated Payment Service as described in Schedule E1;

403.2 development of EPOSS as described in Schedule F1;

403.3 development of the POCL Infrastructure Services as described in Schedule G1;

403.4 development of the OBCS as described in Schedule H1;

403.5 development of the Logistics Feeder Service as described in Schedule K1;

403.6 development of Optional POCL Services as described in Schedule C1 ;

403.7 development of the Service Architecture Design Document; and

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403.8 development of the Contingency Services as described in Schedules E9, F9, G11, H9 and K9.

Clause 404. Implementation of POCL Service Infrastructure and Operational Services

404.1 The Contractor shall implement the POCL Service Infrastructure in accordance with the provisions and timetable in Schedule G6. Elements of the POCL Service Infrastructure shall be subject to Acceptance.

404.2 POCL may on prior written notice defer implementation of any part of the Operational Services and of any of the POCL Service Infrastructure until successful completion of the Operational Trial under the foregoing provisions of this Clause.

404.3 The Contractor shall implement the Automated Payment Service in accordance with the timetable in, and the provisions of, Schedule E4. Elements of the Automated Payment Service shall be subject to Acceptance.

404.4 The Contractor shall implement EPOSS in accordance with the timetable in, and the provisions of, Schedule F4. Elements of EPOSS shall be subject to Acceptance.

404.5 The Contractor shall implement the POCL Infrastructure Services in accordance with the timetable in, and the provisions of, Schedule G6. Elements of the POCL Infrastructure Services shall be subject to Acceptance.

404.6 The Contractor shall implement OBCS in accordance with the timetable in, and provisions of, Schedule H4. Elements of OBCS shall be subject to Acceptance.

404.7 The Contractor shall implement the Logistics Feeder Service in accordance with the timetable in, and provisions of, Schedule K4.

Clause 405. Performance of Operational Services

Subject to the Release Authorisation Board authorising commencement of National Rollout of the Core System and subject to Clause 201.6, the Contractor shall, from the date of CSR Acceptance, perform the following Operational Services:

405.1 the Automated Payment Service, in accordance with the provisions of Schedule E1;

405.2 EPOSS, in accordance with the provisions of Schedule F1;

405.3 the POCL Infrastructure Services, in accordance with the provisions of Schedule G1;

405.4 the OBCS in accordance with the provisions of Schedule H1;

405.5 the Logistics Feeder Service in accordance with the provisions of Schedule K1;

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405.6 the POCL Contingency Services in accordance with the provisions of Schedules E9, F9, G11, H9 and K9;

405.7 any Optional POCL Services ordered pursuant to Clause 202 in accordance with the provisions of Schedule C1.

Clause 406. Inspection of POCL Premises

406.1 The Contractor confirms that other than in respect of the introduction of the Network Banking Service and the PIN Pad Implementation Service it has been offered the opportunity to inspect the POCL Premises in order to satisfy itself that the POCL Premises are suitable for the installation and operation of the Products in the POCL Service Infrastructure and the supply of the POCL Services. However, the Contractor does not warrant that the use of such Products when installed will comply with applicable Health and Safety legislation or that the POCL Premises will comply with such legislation, only that installation work carried out by the Contractor and the Products as installed in their immediately surrounding environment will so comply. The Contractor shall not be liable for any delay or Default directly caused by any delay or failure in obtaining any third party consents or licences which are necessary to permit such installation.

406.2 In relation to any work at the POCL Premises which is required as referred to in paragraph 3.2 of Annex 4 to Schedule A12, the Contractor shall inspect the POCL Premises, specify the necessary work and, subject to POCL's prior written approval of the work to be done and the costs thereof, carry out such work. The costs of such work shall be chargeable to POCL in accordance with paragraphs 6 and 13 of, and Annex 4 to Schedule A12. POCL reserves the right to arrange for such work to be done by parties other than the Contractor in accordance with procedures and specifications reasonably agreed by the parties. The Contractor will not be liable for any delay or Default directly caused by such changes being made by a party other than the Contractor.

406.3 POCL shall only be liable to pay for the Contractor's costs for those changes to the POCL Premises which are strictly necessary to install the Products to enable the Contractor to perform the POCL Services, and these costs shall only be chargeable pursuant to the charging structure in Annex 4 to Schedule A12. The Contractor will minimise such installation and operations costs.

Clause 407. Marking of Products

The Contractor shall ensure that each Product in the POCL Service Infrastructure is clearly marked with a functional title or code so that it can be readily identified in the relevant Documentation and related to its proper place in the POCL Service Infrastructure.

Clause 408. Delivery of Products and POCL Consumables

The Contractor shall deliver any Products and POCL Consumables to an authorised representative of POCL at times and locations to be mutually agreed between the Contractor

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and POCL (such agreement not to be unreasonably withheld or delayed). Any Software supplied as a Product will be delivered in object code.

Clause 409. Products and Services

The Contractor shall not introduce any product or service into the POCL Service Infrastructure or POCL Services, nor make any change to any Products or POCL Services, without POCL's prior written consent in accordance with Schedule A5.

Clause 410. Contingency Services

410.1 The Contractor shall perform the Contingency Services in accordance with the provisions of Schedules E9, F9, G11, H9, K9 and N9.

410.2 The Contractor shall not be obliged to provide an alternative means of proceeding with Banking Transactions at any Counter Position which is operating in offline mode due to a temporary inability of that Counter Position to communicate with a Data Centre.

Clause 411. Acceptance of Core System

411.1 This Clause 411, Schedule A11, Schedule B05 and the definitions in Schedule A01 which relate to "Acceptance" (as opposed to "NBS Acceptance") shall not apply in respect of the Network Banking Service, PIN Pads or the PIN Pad Implementation Service. Provisions relating to CSR Acceptance are set out in Schedule A11.

411.2 The Contractor agrees that if, following CSR Acceptance, any fault arises in connection with the Core System which:

(a) was not identified as an Acceptance Incident; but which

(b) might reasonably have been expected to have been identified as an Acceptance Incident had the Acceptance Criteria, Acceptance Specifications and Acceptance Tests agreed in relation to the Core System prior to execution of this Codified Agreement been appropriately revised and applied (i) to reflect in all material respects the removal from the Services of BES, PAS and CMS (in each case as defined under the Related Agreements immediately prior to 24 May, 1999) and (ii) to ensure that the Core System were not affected by such removal

then the Contractor shall remedy such fault in accordance with Clause 411.3 below at the expense of the Contractor.

411.3 In the case of category (a) faults (as defined in Schedule A11) such remedy shall be effected forthwith on discovery of the fault and in the case of category (b) faults (as so defined) it shall be effected promptly following discovery of the fault.

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411.4 The occurrence of a fault to which Clause 411.2 applies shall not invalidate CSR Acceptance or entitle POCL to claim that CSR Acceptance has not, or should not have, taken place, or that any sum due to the Contractor upon CSR Acceptance should be withheld or repaid.

411.5 CSR+ shall be subject to Release authorisation by the Release Authorisation Board but not subject to Acceptance.

Clause 412. Inventory

412.1 The CCD entitled "CSR Asset Register" contains an inventory of the hardware and software to be used to provide the host and network facilities of the POCL Service Infrastructure and located in the Contractor's datacentres as at Acceptance of the Core System.

412.2 The Contractor shall, within 2 weeks after NBS Acceptance and again within 2 weeks after commencement of phase 2 (as described and set out in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031))*, if POCL exercises its option set out in that CCD to commence that phase, update the CSR Asset Register to include the hardware and software to be used to provide the host and network facilities of the NBS elements of the POCL Service Infrastructure.

412.3 The Contractor undertakes to maintain throughout the term of this Codified Agreement hardware and software in relation to the POCL Service Infrastructure providing, as a whole, equivalent capability to those listed in the CSR Asset Register (as updated in accordance with Clause 412.2).

412.4 The Contractor may replace, upgrade, remove or decommission hardware and software from time to time comprised in the POCL Service Infrastructure provided that it continues at all times to comply with its undertaking contained in Clause 412.3.

Clause 413. Network Banking Service

413.1 The Contractor shall:

413.1.1 develop the Network Banking Service as described in Schedule N1;

413.1.2 use reasonable endeavours to develop and implement the Network Banking Service in accordance with the NB Project Plan;

413.1.3 subject to authorisation by the Release Authorisation Board and from the date approved by the RAB perform the Network Banking Service in accordance with the provisions of Schedule N1 (For the avoidance of doubt the Network Banking Service is a POCL Service but is not a Core System Service, a POCL Client Service or an Additional POCL Service);

413.1.4 provide the management services set out in Schedule N5; and

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413.1.5 perform the Network Banking Transfer Services when required by this Codified Agreement.

413.2 Elements of the Network Banking Service shall be subject to Acceptance in accordance with the provisions of Schedule N2;

413.3 Notwithstanding any other provision of this Codified Agreement to the contrary, the Contractor's obligations regarding the application of electronic signatures to be applied to data transmitted and received across the link between the Data Centres and the NBE to ensure the authenticity and integrity of that data shall be limited to the use of MACs in accordance with paragraph 10.6.4(b) of Schedule N01.

Clause 414 SADD

The Contractor shall use reasonable endeavours to update the SADD to reflect the introduction of the NBS by the date 3 months after NBS Acceptance and shall in any event do so by the date 6 months after NBS Acceptance.

Clause 415 PIN Pad Implementation Service

The Contractor shall perform the PIN Pad Implementation Service in accordance with Schedule G12 (For the avoidance of doubt the PIN Pad Implementation Service is a POCL Service but is not a Core System Service, a POCL Client Service or an Additional POCL Service).

PART 5 : OWNERSHIP, LICENCES AND RISK

Clause 501. Ownership of Hardware

501.1 Ownership of the Hardware (subject to any provisions to the contrary in Schedule G12 in respect of PIN Pads) shall either vest in POCL upon acceptance thereof or shall remain in the Contractor (or its licensors), as specified in Schedule B2. However, POCL shall not acquire title to any Intellectual Property Rights in the Hardware.

501.2 Ownership of PIN Pads and Paypoles shall be as specified in Schedule G12.

Clause 502. Ownership of Software

Ownership of the media on which such Software is supplied by the Contractor shall either vest in POCL upon acceptance thereof or shall remain in the Contractor (or its licensors), as specified in Schedule B1. However, POCL shall not acquire title to any Intellectual Property Rights in the Software, other than Specially Written Software, the Intellectual Property Rights in which are specified in Schedule B1 as vesting in POCL, the ownership to which shall vest in POCL upon acceptance thereof.

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Clause 503. Ownership of Documentation

Ownership of the media on which such Documentation is supplied by the Contractor shall vest in POCL. However, POCL shall not acquire title to the Intellectual Property Rights in the Documentation created by the Contractor. POCL shall retain title to the Intellectual Property Rights of any POCL-owned material incorporated into Documentation.

Clause 504. Ownership of POCL Data and Intellectual Property Rights in the POCL Service Architecture

504.1 The Contractor acknowledges that the POCL Data is the property of POCL and POCL hereby reserves all Intellectual Property Rights which may subsist in the POCL Data. The Contractor shall not delete or remove any copyright notices contained within or relating to the POCL Data.

504.2 The Contractor shall preserve the integrity of the POCL Data once the Contractor has received such POCL Data, shall prevent any corruption or loss of the POCL Data and shall comply with the validation procedures set out in Schedule B8 as such procedures may be updated and amended from time to time. The Contractor shall not be liable for any loss or corruption of POCL Data nor for any failure to perform the POCL Services if it can prove that such loss or corruption or failure to perform the POCL Services was caused by POCL Data which was lost or corrupted before the Contractor received it, and the Contractor has complied with the validation rules in relation to such POCL Data.

504.3 In the event that the POCL Data is altered, corrupted or lost in the course of performing the POCL Services POCL shall have the option, in addition to any other remedies that may be available to it either under this Codified Agreement or otherwise, to elect either of the following remedies:

504.3.1 POCL may require the Contractor at its own expense to restore or procure the restoration of the POCL Data; or

504.3.2 POCL may itself restore or procure restoration of the POCL Data, and shall be repaid by the Contractor any reasonable expenses so incurred.

504.4 For the purposes of Clauses 504.2 and 504.3, the term "POCL Data" shall include the data of POCL's clients.

504.5 Ownership of any Intellectual Property Rights in that part of the design of the POCL Service Architecture (as set out in the Service Architecture Design Document) which is developed during the performance of the POCL Services shall vest in the Contractor. Any use by the Contractor of the overall design of the POCL Service Architecture within the United Kingdom for purposes other than in connection with this Codified Agreement shall be subject to the prior written agreement of POCL on reasonable commercial terms (such agreement not to be unreasonably withheld or delayed).

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504.6 POCL Data constitutes Confidential Information, and may not be reproduced without the prior written consent of POCL except as necessary to perform the POCL Services.

504.7 The Contractor shall not do anything to prejudice the security of the POCL Services.

Clause 505. Ownership of POCL Consumables

Ownership of any POCL Consumables supplied hereunder shall vest in POCL upon delivery thereof in accordance with Clause 408.

Clause 506. Licences to use Intellectual Property Rights

506.1 In consideration of the payment of the relevant Charges the Contractor hereby grants, or shall procure that the owner of the Intellectual Property Rights in the Specially Written Software and the Documentation (other than the Specially Written Software, and Documentation in which ownership of the Intellectual Property Rights vests in POCL pursuant to Clause 502) grants POCL a perpetual, royalty-free, irrevocable (subject to Clause 506.12) and non-exclusive licence to Use the relevant Specially Written Software and to use, copy and modify solely in connection with the Services the Documentation listed in Schedule B3.

506.2 The licence set out in Clause 506.1 in respect of Documentation is granted without prejudice to Clause 607 and the Non Disclosure Agreement between Consignia Plc, POCL, the Contractor and IBM United Kingdom Limited dated 31 July 2001.

506.3 In consideration of the payment of the relevant Charges the Contractor hereby grants to POCL a royalty-free, non-exclusive licence to Use the Contractor's Software. Such licence to Use the Contractor's Software shall, subject to Clause 506.12, be perpetual and irrevocable. POCL's licence to Use such Contractor's Software shall be subject to any additional terms and conditions specified in Schedule B1 which do not detract from the rights granted to POCL hereunder.

506.4 In respect of Third Party Software supplied hereunder, the Contractor shall in consideration of the payment of the relevant Charges:

506.4.1 use all reasonable efforts to procure the right to grant to POCL a perpetual, royalty-free, irrevocable (subject to Clause 506.12) and non-exclusive sub-licence to Use such Third Party Software, subject to Clause 506.6 and Clause 506.7, and, by the entering into of this Codified Agreement, shall grant such sub-licences; or

506.4.2 if the Contractor is unable to procure the right to grant the sub-licence referred to in Clause 506.4.1 the Contractor shall procure, prior to the commencement of the Operational Trial Period (or in respect of Optional Products or Additional Products, prior to the provision thereof), that the third party grants to POCL a royalty-free and non-exclusive licence to Use the Third Party Software subject to Clause 506.6 and Clause 506.7, and

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shall use all reasonable endeavours to ensure that such licence is perpetual and (subject to Clause 506.12) irrevocable;

POCL's licence or sub-licence to Use such Third Party Software shall be subject to any additional terms and conditions imposed by the licensor, provided that any terms of any sub-licence granted under sub-Clause 506.4.1 or any licence granted under sub-Clause 506.4.2 shall not detract from the rights granted to POCL hereunder.

506.5 In consideration of the payment of the relevant Charges the Contractor hereby grants to POCL or shall procure prior to the commencement of any use by POCL that the relevant Third Party grants to POCL a royalty-free non-exclusive licence to use the Internal Code in connection with the Hardware of which it forms an integral part. Such licence to use the Internal Code shall, subject to Clause 506.12, be perpetual and irrevocable. On the sale or transfer of an item of Hardware of which Internal Code is an integral part, licence to use such Internal Code in combination with the said item of Hardware shall pass to the purchaser or other transferee of the said item of Hardware. POCL shall take all reasonable steps to ensure that the purchaser or transferee of the said item of Hardware agrees to comply with the licence to use the Internal Code that was previously enjoyed by POCL.

506.6 POCL shall be entitled to engage a third party to Use the Specially Written Software and to Use the Contractor's Software, (and the Contractor shall use all reasonable endeavours to enable POCL to engage a third party to use Internal Software and Third Party Software) subject to and in accordance with this Codified Agreement on behalf of POCL provided that such third party shall have entered into a confidentiality undertaking in accordance with Clause 607.3.2.

506.7 POCL shall be entitled to copy the appropriate Contractor's Software, Internal Code and Third Party Software in order to create as many archival or back-up copies of the same as are necessary. When copying Software POCL shall include the original machine readable copyright notice, and a label affixed to the media identifying the Software and stating: "This medium contains an authorised copy of copyrighted software which is the property of [the Contractor or the Third Party Software Owner]."

506.8 The Contractor shall place the Source Code of the Deposited Software in escrow with the NCC on the basis of the appropriate standard agreement or on such other terms as POCL, the Contractor, the Third Party Software Owner (if applicable) and the NCC shall agree. Such escrow agreement shall be entered into within thirty (30) days of 15 May, 1996.

506.9 The Contractor hereby grants to POCL a perpetual, royalty-free, irrevocable (subject to Clause 506.12) and non-exclusive licence to Use, reproduce, modify, adapt and enhance (and to authorise a third party to Use, reproduce, modify, adapt and enhance) the Source Code version of the Deposited Software. However, the foregoing licence shall only become effective if POCL becomes entitled to obtain access to the Source Code version of the Deposited Software pursuant to the source

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code escrow agreement referred to in Clause 506.8 and the licence shall be subject to any restrictions contained herein in respect of the object code version of the Deposited Software.

506.10 Subject to any necessary consents (which the Contractor shall use all reasonable endeavours to obtain) any licence or sub-licence granted by the Contractor to POCL hereunder shall be transferable in accordance with the provisions of Clause 604.4.

506.11 Subject to any necessary consents (which the Contractor shall use all reasonable endeavours to obtain) any rights to Use granted hereunder to POCL are hereby granted to and are fully exercisable by members of the Post Office Group and End Users.

506.12 The Contractor may at any time by notice in writing terminate any licence granted under Clause 506.1, Clause 506.3, Clause 506.4, Clause 506.5, Clause 506.9 or Clause 903.1.2 if POCL is in Default of its obligations under the relevant Clause in relation to such licence and POCL shall fail to remedy such Default within thirty (30) days of written notice to POCL specifying the Default and requiring its remedy, provided that if the Default in question is caused by an Agent, such licence shall only be terminated in relation to Use by such Agent. Upon termination of the relevant licence to POCL, POCL shall cease to use the Software which is the subject matter of such licence and shall either return or destroy all copies of such Software, as directed by the Contractor.

506.13 In consideration for the entering into of CCN850 the Contractor shall grant to POCL, with effect from the date of approval of that CCN a right to use WebRiposte, Framework and Asset Manager on the terms set out in Schedule B11.

Clause 507. Risk in Products

507.1 Other than as set out in Schedule G12 in respect of PIN Pads, risk in the Products shall remain with the Contractor unless title in any Products passes to POCL, in which case risk in such Products shall pass to POCL at the same time as title passes.

507.2 Notwithstanding the provisions of Clause 507.1, each party shall be liable for any loss of or damage to any Products or part thereof (other than Pin Pads, the provisions in respect of which are set out in Schedule G12) supplied under this Codified Agreement if such loss or damage is occasioned by the negligence or wilful acts or omissions of that party.

507.3 The Contractor shall with all possible speed make good any loss or damage affecting the Core System Products and shall notwithstanding such loss or damage proceed with and complete the installation of the POCL Service Infrastructure (where appropriate) and the performance of the POCL Services in accordance with this Codified Agreement. Subject to Clause 507.2 and in the case of PIN pads, the applicable provisions of Schedule G12, the Contractor shall pay the costs of making good such loss or damage.

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507.4 Risk in PIN Pads and Paypoles, liability for loss of or damage thereto and responsibility for the costs making good such loss and damage shall be as set out in Schedule G12.

Clause 508. Damage to Plant, Tackle and Tools

508.1 All plant, tackle and tools at the POCL Premises provided by or on behalf of the Contractor shall stand at the risk and be in the sole charge of the Contractor.

508.2 The Contractor shall be required to remove all such plant, tackle and tools which it brings to the POCL Premises.

508.3 The Contractor shall ensure that all such plant, tackle and tools shall meet minimum safety standards required by law.

Clause 509. Licences for the Contractor to use Intellectual Property Rights

509.1 POCL hereby grants to the Contractor a non-exclusive licence to use any software, documentation, logos, designs or other material (referred to in this clause as "material") which are reasonably required by the Contractor for the purpose of performing the POCL Services and in which the Intellectual Property Rights vest in POCL for the term of this Codified Agreement solely for the purposes of performing the POCL Services and for no other purposes. POCL hereby grants to the Contractor a non-exclusive sub-licence to use any software listed in table 2 of Schedule B01 for the term of this Codified Agreement solely for the purposes of performing the POCL Services and for no other purposes. The Contractor shall be entitled to copy such material for operational purposes in accordance with the foregoing licence and sub-licence and in order to make back up copies of such material. Upon termination of this Codified Agreement or upon the Contractor ceasing to use such material, the Contractor shall either return or destroy all copies of such material as directed by POCL. As part of the foregoing licence and sub licence, the Contractor shall be entitled to copy such material provided any POCL copyright markings and security markings are preserved and adhered to, and subject to the third sentence of Clause 610.3, the Contractor shall be entitled to incorporate parts of such material into a document subject to the source of the material being acknowledged in the receiving document.

509.2 Neither the Contractor nor any sub-contractor, nor any other person, shall have a lien on any Products owned by or leased to POCL for any sum due to the Contractor, sub-contractor or other person, and the Contractor shall take all reasonable steps to ensure that the title of POCL and the exclusion of any such lien are brought to the notice of all sub-contractors and other persons dealing with such Products.

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Clause 510. Databases

POCL shall have the right to use the POCL Services and the POCL Service Infrastructure to capture, develop and use databases containing information in relation to its customers. Any assistance provided by the Contractor pursuant to this Clause over and above the performance of its other obligations hereunder shall be treated as an Additional POCL Service.

Clause 511. Riposte 32 Software

511.1 The Contractor shall ensure that, within seven (7) days after 24th May, 1996, a copy of the source code of the Riposte 32 Software is provided to the Contractor's European Development and Service Centre.

511.2 The Contractor shall within seven (7) days after such copy of the source code is provided to the Contractor's European Development and Support Centre provide to POCL a certificate signed by the Contractor's Managing Director that this has occurred, and provide to POCL a copy of the relevant contractual documentation confirming the Contractor's right of access to such source code and that the Contractor has all other rights to such source code necessary for the performance of its obligations under this Codified Agreement. For the avoidance of doubt, such supporting documentation shall not include details of the prices paid by the Contractor to its sub-contractors or licensors.

Clause 512 Transfer of HAPS Disaster Recovery Hardware

512.1 The title in the hardware installed on POCL premises in Leicester in accordance with the document HAPS Disaster Recovery, shall be transferred to POCL when the HAPS system is no longer required (as determined by POCL). This hardware will be transferred to POCL for £1 (one pound).

Clause 513 WebRiposte Software

513.1 The Contractor shall ensure that, within seven (7) days after the date of approval of CCN850, a copy of the WebRiposte source code is deposited with the Contractor.

513.2 The Contractor shall within seven (7) days after such copy of the source code is deposited with it provide to POCL a certificate signed by the Contractor's Managing Director confirming that this has occurred and confirming the Contractor's right of access to such source code and that the Contractor has all other rights to such source code necessary for the performance of its obligations under this Codified Agreement.

PART 6 : CONTRACT AND SERVICE MANAGEMENT

Clause 601. Monitoring

POCL shall be entitled to monitor the performance by the Contractor of its obligations under

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this Codified Agreement in accordance with the procedures set out in Schedule A4.

Clause 602. Management Interfaces and Management Services

602.1 The parties shall establish the management interfaces set out in Schedule A4. All contract management of this Codified Agreement shall be performed in accordance with the provisions of Schedule A4.

602.2 In relation to the Automated Payments Service, EPOSS, the POCL Infrastructure Services, the OBCS, and the LFS, the POCL Services shall be managed in accordance with the provisions of Schedules E5, F5 G7, H5 and K5 respectively. The Contractor shall provide the Management Services specified in Schedules E5, F5, G7, H5 and K5. The Contingency Services shall be managed in accordance with the provisions of Schedules E9, F9, G11, H9 and K9. The Transfer Services shall be managed in accordance with the provisions of Schedule A7.

Clause 603. Communications

603.1 Except as otherwise expressly provided no communication from one party to the other shall have any validity under this Codified Agreement unless made in writing by or on behalf of POCL or the Contractor, as the case may be.

603.2 Any notice or other communication whatsoever which any party hereto is required or authorised by this Codified Agreement to give or make to another shall be given or made either by post in a prepaid letter, or by facsimile transmission confirmed by post in a prepaid letter, addressed to such other party in the manner referred to in Clause 603.3 below and if that letter is not returned as being undelivered that notice or communication shall be deemed for the purposes of this Codified Agreement to have been given or made after two days, for a letter, or four hours, for facsimile transmission.

603.3 For the purposes of Clause 603.2 above the address of each party shall be:

603.3.1 For POCL:

Post Office Counters Ltd.,
Calthorpe House,
15-20 Phoenix Place,
London, WC1X 0DG.

For the attention of:

IS Service Manager

Telephone GRO
Facsimile

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603.3.2 For the Contractor:

ICL Pathway Limited
Forest Road,
Feltham,
Middlesex TW13 7EJ.

For the attention of:
Managing Director of ICL Pathway Limited.

Telephone GRO
Facsimile

603.4 Any party may change its address for service by notice as provided in this Clause 603.

Clause 604. Transfer and Sub-Contracting

604.1 This Codified Agreement is personal to the Contractor. The Contractor shall not assign, novate, sub-contract or otherwise dispose of this Codified Agreement or any part thereof without the previous written consent of POCL.

604.2 POCL hereby consents to the Contractor having subcontracted its obligations specified in Schedule A8 to the respective sub-contractors specified therein. Additional or substitute sub-contractors may be approved from time to time in accordance with Clause 604.1 after the date hereof, in which case Schedule A8 shall be amended accordingly. Notwithstanding any sub-contracting permitted in this Codified Agreement, the Contractor shall remain primarily responsible for the acts and omissions of its sub-contractors committed by them in the course of performing or purporting to perform any of the POCL Services on the Contractor's behalf as though such acts or omissions were its own.

604.3 [Not used]

604.4 POCL shall be entitled to assign, novate or otherwise dispose of its rights and obligations under this Codified Agreement or any part thereof (including, where appropriate, requiring the grant by the Contractor or its licensors of a direct licence of any Software other than Third Party Software , WebRiposte, Framework and Asset Manager, and requiring the Contractor to use all reasonable endeavours to procure the grant of a direct licence of WebRiposte, Framework and Asset Manager and any Third Party Software) to any other body which performs any of the functions that previously had been performed by POCL, provided that any such assignment, novation or other disposal shall not increase the burden of the Contractor's obligations pursuant to this Codified Agreement.

604.5 POCL shall be entitled to disclose, to the extent necessary for the purposes of this Codified Agreement, to any transferee any Confidential Information of the Contractor which relates to the performance of the POCL Services by the Contractor.

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In such circumstances POCL shall authorise the transferee to use such Confidential Information only for purposes relating to the performance of the POCL Services and for no other purposes and, for the avoidance of doubt, the transferee shall be bound by the confidentiality undertaking contained herein in relation to such Confidential Information.

Clause 605. POCL Responsibilities

605.1 Subject to the provisions of Clause 607 POCL undertakes to provide at its own cost and expense to the Contractor, all information, services, facilities and responses which it is expressed (which may be by cross reference to other provisions of this Codified Agreement) in any of Schedules A16, E3, F3, G5, G12, H3, K3, or N3 that POCL will provide. POCL shall use all reasonable endeavours to perform such POCL Responsibilities in a timely fashion in accordance with any agreed timetable specified in Schedule B9, Schedule N4, the NB Project Plan or elsewhere herein.

605.2 Without limitation to Clause 605.1, POCL shall use all reasonable endeavours to ensure that its Agents co-operate with the Contractor to the extent reasonably necessary to permit the Contractor to perform the POCL Services. In the event that any Agent fails to provide such co-operation, and POCL is unable to secure such co-operation within six (6) months after receiving written notice thereof from the Contractor, the Contractor shall be relieved of liability for any failure or delay to perform the POCL Services which is directly caused by the Agent's failure to provide such co-operation and shall be entitled to any reasonable additional costs and expenses which the Contractor can show were directly incurred by it as a result of the Agent's failure to provide such co-operation.

Clause 606. Time

606.1 Timetable

606.1.1 The Contractor shall use its reasonable endeavours to perform the POCL Services in accordance with the timetable specified in Schedule B9 and shall achieve Acceptance of the Core System not later than the Final Deadline for CSR Acceptance. In the event of failure to meet any target date in such timetable the Contractor shall provide POCL with a method statement showing how it intends to recover any lost time. For the avoidance of doubt time shall not be of the essence in relation to any date unless notice is served in accordance with Clause 606.4.

606.1.2 Before POCL exercises its option for any Optional POCL Service, and before POCL and the Contractor agree on the supply of any Additional POCL Service, POCL and the Contractor shall agree a timetable for the performance of such POCL Services and such timetable shall be incorporated into this Codified Agreement in accordance with the Change Control Procedure.

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606.1.3 Clauses 606.1.1 and 606.1.2 shall not apply to the NBS which shall be governed by the provisions of Schedule N04 and shall not apply to the PIN Pad Implementation Service which shall be governed by the provisions of Schedule G12 and Schedule N04.

606.2 Extension of Time

606.2.1 Subject to Clause 606.2.2 and 606.3 below, if Acceptance of the Core System or Rollout of the Core System is changed or delayed from the agreed procedure and/or timetable:

606.2.1.1 to the extent that such change or delay is caused by the Default of POCL the Contractor will be entitled to a time and cost adjustment to compensate for such change or delay. Except that any such delay to Rollout caused by the Default of POCL shall be disregarded to the extent that the aggregate duration of all such delays does not exceed 42 days. The Contractor shall notify POCL in writing within three (3) working days of becoming aware of such Default; and

606.2.1.2 to the extent that compensation is not payable by POCL under paragraph 606.2.1.1 or liquidated damages are not payable by the Contractor under Schedule L5, such costs will lie where they fall.

606.2.2 In the event of any such change or delay as is referred to in paragraph 606.2.1 above, for the purpose of determining and resolving to what extent each party is at fault (if at all) and the time and cost adjustment applicable the following procedure will apply:-

606.2.2.1 within seven days of a request by either of them, the Managing Director of POCL (or any equivalent executive) and the Commercial Director of ICL shall meet to resolve these issues. In the event that these issues are not resolved to the satisfaction of both parties in so meeting then;

606.2.2.2 within seven days of a request by either of them, the Chief Executive of the Post Office and the Chief Executive Officer of ICL shall meet to resolve these issues. In the event that these issues are not resolved to the satisfaction of both parties in so meeting then;

606.2.2.3 the Chief Executive of the Post Office and the Chief Executive Officer of ICL shall together decide how any remaining dispute should be resolved, whether by reference to binding expert determination, mediation,

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arbitration, or such other means as agreed upon by both parties.

606.2.3 If the performance of this Codified Agreement by either party be delayed by reason of any force majeure event (as defined in Clause 606.3), both parties shall be entitled to a reasonable extension of time subject to there being no entitlement to any additional costs or expenses incurred as a result of the delay. The party so delayed shall notify the other party in writing within one (1) working day of becoming aware of the force majeure event.

606.3 Force Majeure

606.3.1 For the purposes of this Codified Agreement the expression "Force Majeure" shall mean any cause affecting the performance by a party hereto of its obligations arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control including (but without limiting the generality thereof) (i) Governmental Regulations (subject to Clause 606.5), (ii) fire, (iii) flood, or (iv) any disaster or an industrial dispute affecting a third party. Any act, event, omission, happening or non-happening will only be considered Force Majeure if it is not attributable to the wilful act, neglect or failure to take reasonable precautions of the affected party, its agents or employees, and only if a substitute third party is not reasonably available (having regard, without limitation, to the cost and quality of such substitute) to perform the affected obligation. In no event shall any fraudulent act or omission by any third party or party in relation to the POCL Services for which the Contractor is liable under Clause 809.1 constitute a force majeure event.

606.3.2 Neither party hereto shall in any circumstances be liable to the other party hereto for any loss of any kind whatsoever including but not limited to any damages or abatement of Charges whether directly or indirectly caused to or incurred by the other party by reason of any failure or delay in the performance of its obligations under this Codified Agreement which is due to Force Majeure. Notwithstanding the foregoing, each party shall use all reasonable endeavours to continue to perform, or resume performance of, such obligations under this Codified Agreement for the duration of such Force Majeure event. In the case of the Contractor, the parties shall agree an orderly process for such continuation or resumption of performance (such consent not to be unreasonably withheld or delayed), and the Contractor shall comply with such process. The Contractor shall remain liable to perform the POCL Contingency Services, save where such POCL Contingency Services are themselves also affected by Force Majeure, in which case the Contractor shall be required to use all reasonable endeavours to perform such POCL Contingency Services.

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606.3.3 If the Contractor shall become aware of circumstances of Force Majeure which give rise to or which are likely to give rise to any such failure or delay on its part it shall forthwith notify POCL within one (1) working day and shall inform POCL of the period which it is estimated that such failure or delay shall continue. If POCL shall become aware of circumstances of Force Majeure which give rise to any such failure or delay on its part, it shall forthwith notify the Contractor within one (1) working day and shall inform the Contractor of the period which it is estimated that such failure or delay shall continue.

606.3.4 It is expressly agreed that any failure by the Contractor to perform, or any delay by the Contractor in performing, its obligations under this Codified Agreement which results from any failure or delay in the performance of its obligations by any person, firm or company with which the Contractor shall have entered into any contract, supply arrangement or sub-contract or otherwise shall be regarded as a failure or delay due to Force Majeure only in the event that such person firm or company shall itself be prevented from or delayed in complying with its obligations under such contract, supply arrangement or sub-contract or otherwise as a result of circumstances of Force Majeure and there is no substitute person, firm or company reasonably available (having regard, without limitation, to the cost and quality of such substitute) to perform the affected obligation.

606.3.5 [Not used]

606.3.6 If any Force Majeure event prevents any party from performing its obligations hereunder for a period in excess of ninety (90) consecutive days, POCL may after consulting with the Contractor and taking into account the Contractor's views, terminate this Codified Agreement in accordance with Clause 902.1.5.

606.4 Time of the Essence

Where POCL after undue delay by the Contractor notifies the Contractor that time is of the essence of this Codified Agreement and any of its obligations stated in such notice shall not have been performed by the Contractor by any reasonable date stated in the notice, POCL may terminate this Codified Agreement in accordance with Clause 902.2.3. In relation to the timescales specified herein, POCL may only give notice making time of the essence in relation to the Final Deadline for CSR Acceptance.

606.5 Political Risk

Notwithstanding the provisions of Clause 606.3, a change of, or new, Governmental Regulation:

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606.5.1 shall not entitle POCL to terminate this Codified Agreement under Clause 606.3.6, and any such purported termination shall be treated as a termination for convenience in accordance with Clause 902.6; and

606.5.2 shall not require the Contractor to perform any additional obligations, or any reduced or modified obligations resulting in increased cost to the Contractor, without its agreement in accordance with the Change Control Procedure.

Clause 607. Confidentiality

607.1 Without prejudice to the application of the Official Secrets Acts 1911 to 1989 (where relevant) to any Confidential Information the Contractor acknowledges that any Confidential Information (other than its own Confidential Information) obtained from or relating to POCL, or its servants or agents, is the property of POCL.

607.2 Each party agrees to keep confidential, and not to disclose to anyone else, Confidential Information.

Notwithstanding the above, any party may disclose Confidential Information

607.2.1 if and to the extent required by law;

607.2.2 if and to the extent that the other parties have given prior written consent to the disclosure;

607.2.3 to its professional advisers;

607.2.4 to the extent requested by H.M. Government;

607.2.5 if and to the extent that the Confidential Information is in the public domain or falls into the public domain without breach of any applicable confidentiality obligation (including this clause);

607.2.6 to the Post Office;

607.2.7 to Fujitsu Services Holdings Plc, Fujitsu Services Limited or Fujitsu; 607.2.8 to the Contractor's approved sub contractors as listed in Schedule A8;

607.2.9 potential arrangers of funding for the investment required in connection with this Codified Agreement;

607.2.10 if and to the extent reasonably necessary to be disclosed for the purpose of arranging and maintaining funding generally for ICL plc or the Contractor;

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607.2.11 which is in the possession of the receiving party without restriction in relation to disclosure before the date of receipt from the disclosing party;

607.2.12 which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure; or

607.2.13 which is independently developed without access to the Confidential Information.

607.3 The Contractor hereby agrees that (other than as required by law):

607.3.1 the Contractor (and any person employed or engaged by the Contractor in connection with this Codified Agreement in the course of such employment or engagement) shall only use Confidential Information of POCL for the purposes of this Codified Agreement;

607.3.2 the Contractor shall take all necessary precautions to ensure that no Confidential Information of POCL is used other than for the purposes of this Codified Agreement by the Contractor's employees, servants, agents or sub-contractors including, without limitation, obtaining from any such agent or sub-contractor a signed confidentiality undertaking on substantially the same terms as are contained in this Clause; and

607.3.3 without prejudice to the generality of the foregoing neither the Contractor nor any person engaged by the Contractor whether as a servant or a consultant or otherwise shall use the Confidential Information of POCL for the solicitation of business from POCL or from any third party by the Contractor or by such servant or consultant or by any third party.

607.4 POCL (other than as required by law) shall treat as confidential all Confidential Information, obtained from the Contractor, including but not limited to the Source Code of the Specially Written Software (other than Specially Written Software in which ownership of the Intellectual Property Rights vests in POCL pursuant to Clause 502).

607.5 In the event that Confidential Information is disclosed by any party to its professional advisers, that party shall procure that its professional advisers comply with the restrictions contained in this Clause, mutatis mutandis.

607.6 Nothing in this Clause 607 shall prevent the Contractor or POCL from using data-processing techniques, ideas and know-how gained during the performance of this Codified Agreement in the furtherance of its normal business, to the extent that this does not relate to a disclosure of Confidential Information or an infringement by POCL or the Contractor of any Intellectual Property Right.

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Clause 608. Health and Safety Hazards

608.1 The Contractor shall notify POCL of any health and safety hazards in relation to POCL Premises owned by or leased to POCL which may arise in connection with the performance of this Codified Agreement.

608.2 POCL shall notify the Contractor of any known health and safety hazards which may exist or arise at the POCL Premises owned by or leased to POCL and which may affect the Contractor. The Contractor shall draw these hazards to the attention of its employees and sub-contractors or any persons engaged by the Contractor in the performance of this Codified Agreement at such POCL Premises.

608.3 The Contractor shall inform all persons engaged in the performance of this Codified Agreement at the POCL Premises owned by or leased to POCL of all such hazards and shall instruct such persons in connection with any necessary associated safety measures.

Clause 609. Protection of Personal Data

609.1 Not used.

609.2 Both parties warrant that if and to the extent they have obligations under the Data Protection Act 1998 which arise in connection with any personal data (as referred to in that Act) processed under this Codified Agreement, they will duly observe all such obligations.

Clause 610. Publicity

610.1 No public announcement or public circular (including a media release) relating to the subject matter of this Codified Agreement will be made unless it has first been agreed between the parties in writing. This restriction shall not apply to any announcement intended solely for internal distribution by the party in question or any disclosure required by any legal, accounting or regulatory requirement.

610.2 Each party shall take all reasonable steps to ensure the observance of the provisions of Clause 610.1 by all its servants, employees, agents, consultants and sub-contractors.

610.3 The Contractor shall have no right to use the brand or logo of any Post Office Group member without POCL's prior written consent. The Contractor shall have no right to use the brand or logo of any part of POCL without POCL's prior written consent. The Contractor shall do nothing to injure such logos and brands or the reputation of POCL and, if it uses such brands or logos, it shall take all reasonable steps to enable POCL to protect such logos and brands and the reputation of POCL but in no event less than the steps it would take in relation to its own logos, brands and reputation.

610.4 POCL shall have no right to use the brands or logo of the Contractor or its sub-contractors without the Contractor's prior written consent. POCL shall do nothing

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to injure such logo and brands or the reputation of the Contractor or its sub-contractors and, if it uses such brands or logos, it shall take all reasonable steps to enable the Contractor and its sub-contractors to protect such logo and brands and the reputation of the Contractor and its sub-contractors, but in no event less than the steps it would take in relation to its own logos, brands and reputation.

Clause 611. Contractor's Personnel

611.1 POCL reserves the right under this Codified Agreement to refuse to admit to any premises occupied by or on behalf of any member of the Post Office Group (which expression shall in this Clause 611 include all persons employed or engaged by the Post Office Group and all persons other than the Contractor and its sub-contractors providing services to the Post Office Group), or to any post office any person employed or engaged by the Contractor, or by a sub-contractor, whose admission would be, in the reasonable opinion of POCL undesirable.

611.2 If and when directed by POCL, the Contractor shall provide a list of the names and addresses of all persons who it is expected may require admission in connection with the performance of this Codified Agreement to any premises occupied by or on behalf any member of the Post Office Group or to any post office, specifying the capacities in which they are concerned with this Codified Agreement and giving such other particulars as POCL may reasonably require. The Contractor shall comply with any reasonable directions issued by the designated representative of POCL as to which persons may be admitted to such premises and at what times.

611.3 If and when directed by POCL, the Contractor shall secure that any person employed or engaged by the Contractor or by a sub-contractor, who is specified in the direction or is one of a class of persons who may be so specified, shall sign a statement that he understands that the Official Secrets Acts 1911 to 1989 apply to him both during the term of and after the expiry or termination of this Codified Agreement.

611.4 The Contractor's representatives, engaged within the boundaries of a Post Office Group establishment or post office, shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force from time to time for the conduct of personnel when at that establishment or post office and when outside that establishment or post office.

611.5 The decision of POCL as to whether any person is to be refused admission to any premises occupied by or on behalf of the Post Office Group or to a post office shall be final and conclusive.

Clause 612. Waiver

No forbearance or delay by any party in enforcing its rights will prejudice or restrict the rights of that party, subject to the express timescales set out herein, and no waiver of any such rights or of any breach of any contractual term will be deemed to be a waiver of any other right or of any later breach.

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Clause 613. Access to POCL Premises

613.1 Any land or POCL Premises (including temporary buildings) made available to the Contractor by POCL in connection with this Codified Agreement shall be made available to the Contractor on such terms and conditions as may be agreed between the Contractor and POCL. The Contractor shall have the use of such land or POCL Premises as licensee and shall vacate the same upon the termination or expiry of this Codified Agreement or at such earlier date as POCL may reasonably determine.

613.2 POCL shall be responsible for maintaining the security of such land or POCL Premises in accordance with its standard security requirements. The Contractor shall comply with all reasonable security requirements of POCL while on the POCL Premises, and shall procure that all of its employees, agents and subcontractors shall likewise comply with such requirements. POCL shall provide the Contractor upon request copies of its written security procedures and shall afford the Contractor upon request with an opportunity to inspect its physical security arrangements.

Clause 614. Security Requirements

The Contractor shall comply with the security requirements as set out in Schedule A2.

Clause 615. Contractor's Key Personnel

The parties acknowledge that the Contractor's key personnel specified in Schedule A14 are essential to the fulfilment of its obligations hereunder. The Contractor undertakes to use all reasonable endeavours to ensure that such key personnel are not removed or replaced during the term hereof. However, in the event that any of its key personnel becomes unavailable for any reason (including without limitation death, injury, sickness, promotion or resignation), the Contractor shall have the right upon giving thirty (30) days' notice in writing (or such shorter period of notice as may be reasonably practicable) to POCL to replace such an individual with another individual whose abilities and qualifications are appropriate for the services to be performed by such individual.

PART 7 : WARRANTIES AND STANDARDS

Clause 701. Authority and Approval

The Contractor warrants and represents that it has full capacity and authority and all necessary consents (including but not limited to, where its procedures so require, the consent of its Parent Company) to enter into and to perform this Codified Agreement and that this Codified Agreement is executed by a duly authorised representative of the Contractor.

Clause 702. Performance of POCL Services

The Contractor warrants and represents that:

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702.1 the POCL Services shall be supplied and rendered by appropriately experienced, qualified and trained personnel with all due skill, care and diligence;

702.2 the Contractor shall discharge its obligations under this Codified Agreement with all due skill, care and diligence including but not limited to good industry practice and (without limiting the generality of this Clause) in accordance with the best of its own established internal procedures;

702.3 the POCL Services shall be performed in compliance with all applicable laws, enactments, orders, regulations, and other similar instruments;

702.4 the POCL Services shall be performed in accordance with all applicable service levels in this Codified Agreement;

702.5 the POCL Services shall be fully integrated within the POCL Service Architecture and the POCL Service Infrastructure;

702.6 the POCL Services shall be performed in accordance with all applicable provisions of the Service Architecture Design Document;

702.7 the POCL Services shall be compatible with the POCL Service Environment as at the date hereof, as set out in Schedule 1;

702.8 the POCL Services shall be performed in such a way as to cause a minimum of disruption to the business of POCL and the End Users.

Clause 703. Performance of Products

The Contractor warrants and represents that:

703.1 At the Operational Trial Acceptance Date, the Operational Trial System shall meet the Operational Trial Criteria and the regulations and standards specified in Schedule A2;

703.2 During the term of this Codified Agreement all components of the POCL Service Infrastructure shall operate in accordance with their respective specifications, except that, for the avoidance of doubt, it is agreed that POCL shall have no remedy for breach of this warranty in relation to errors or interruptions to POCL Services covered by paragraph 4.1(a) and 4.3 of Schedule A6;

703.3 POCL shall acquire title to the Products in which it is to acquire title under Clauses 501, 502 and 503 free from all encumbrances and POCL shall have the right to quiet possession of such Products supplied hereunder;

703.4 the Core System Products will be compatible with the POCL Service Environment as at the date hereof, as specified in Schedule 1;

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703.5 all Optional and Additional Products and POCL Consumables shall be compatible with the POCL Service Infrastructure and the POCL Service Environment.

Clause 704. Intellectual Property Rights

The Contractor warrants and represents that:

704.1 POCL's use and operation of the Products and the POCL Service Architecture and the provision of the POCL Services shall not infringe any Intellectual Property Rights of any third party;

704.2 the Contractor has the full capacity and authority to grant the licences referred to in Clause 506;

704.3 it can comply with Clauses 903.1.3 and 903.1.4.

Clause 705. Technical Standards

The Contractor warrants and represents that:

705.1 the POCL Services shall comply with, and be provided in accordance with, the policies and standards specified in Schedule A2 and all components and equipment used in the course of the provision of the POCL Services shall operate in accordance with their technical specifications;

705.2 the provision of the POCL Services shall not cause electrical interference beyond the limits laid down in the relevant standard specified in Schedule A2, provided that for the purpose of this Clause 705.2 the POCL Services shall be deemed to include the operation of any testing and monitoring instruments used in connection with the provision of the POCL Services.

Clause 706. Statements and Representations

The Contractor warrants and represents that all statements and representations made to POCL in connection with tendering for and entering into the POCL Agreement and the Authorities Agreement were, to the best of its knowledge, information and belief, true and accurate at the time of making such statements and representations and that, from the date of execution hereof, it will advise POCL of any fact, matter or circumstance of which it may become aware which would render any such statement or representation to be false or misleading.

Clause 707. Disclaimer of Implied Terms

Except as expressly stated in this Codified Agreement, all terms, warranties and conditions, whether express or implied by statute, common law or otherwise (including but not limited to satisfactory quality and fitness for purpose) are hereby excluded to the extent permitted by law.

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PART 8 : REMEDIES

Clause 801. Audit

801.1 The Contractor shall keep or cause to be kept the Records.

801.2 The Contractor shall grant or procure the grant to POCL, any statutory or regulatory auditors of POCL and their respective authorised agents the right of reasonable access to the Records and shall provide all reasonable assistance at all times for six (6) years after the creation of the relevant Records for the purposes of carrying out an audit of the Contractor's compliance with this Codified Agreement including all activities, Charges, performance, security and integrity in connection therewith. Each party shall bear its own expenses incurred pursuant to this Clause. On termination, the Contractor shall within a reasonable time to be agreed by the parties, transfer the Records to POCL or a replacement contractor, as instructed by POCL. The Contractor shall thereafter be released from any further liabilities under this Clause in relation to such Records.

801.3 Without prejudice to the foregoing, in the event of an investigation into suspected fraudulent activity or other impropriety by the Contractor or any third party POCL reserves for itself, any statutory or regulatory auditors of POCL and their respective authorised agents the right of immediate access to the Records described in Clause 801.1 and Clause 801.2 above and the Contractor agrees to render all necessary assistance to the conduct of such investigation at all times during the currency of this Codified Agreement or at any time thereafter.

801.4 The Contractor shall provide POCL at no additional cost with copies of the annual and interim audited accounts of the Contractor and its approved subcontractors within fourteen (14) days of such accounts having been lodged at Companies House or its local equivalent to Companies House.

801.5 All information obtained by POCL pursuant to this Clause and Schedule A3 shall be treated as Confidential Information.

801.6 The parties shall comply with the provisions of Schedule A3.

801.7 In place of the general rule stated in Clause 102.2, in so far as the provisions of paragraph 7.3 of Schedule N01 are in conflict or inconsistent with this Clause 801 or Schedule A3, paragraph 7.3 of Schedule N01 shall take precedence. In particular, all access to the audit trail of Transactions held by the Contractor in respect of Transaction data created on or after the date of commencement of NB Pilot (Soft Launch) shall be conducted as Audit Record Queries or as Old Format Queries as defined in paragraph 7.3 of Schedule N01 and shall be subject to the limits set out in paragraph 7.3 of Schedule N01.

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Clause 802. Service Credits and Delay

802.1 It is acknowledged that liquidated damages shall be payable by the Contractor to POCL under Schedule L5 in the circumstances referred to in paragraph 3.3 of Schedule A11.

802.2 In the event that the POCL Services fail to meet the Service Levels contained in Schedules E8, F8, G10, H8, K8 or N8, the Contractor shall, without prejudice to any other rights and remedies of POCL at the option of POCL either (i) as an adjustment to the Charges, credit POCL with Service Credits calculated in accordance with Schedules B10, E8, F8, G10, H8, K8 and N8 as appropriate, or (ii) pay POCL liquidated damages calculated in accordance with Schedules B10, E8, F8, G10, H8, K8 and N8 as appropriate. Unless POCL exercises its option to recover liquidated damages as a payment to it, POCL shall be deemed to have exercised its option to recover Service Credits as credit to it. Any such reductions shall be applied in accordance with paragraph 6 of Schedule A10.

802.3 The Contractor shall credit POCL with the Service Credits or pay POCL the liquidated damages as referred to in Clauses 802.1 or 802.2 within thirty (30) days of receipt of a valid claim by POCL.

802.4 The parties acknowledge that the liquidated damages and Service Credits specified in the relevant Schedules referred to in this Clause are a genuine pre-estimate of the loss likely to be suffered by POCL and that the figures therein are reasonable.

802.5 The liquidated damages and Service Credits specified in this Clause are without prejudice to any other rights and remedies of POCL, except where they are specified in Schedule A6 to be POCL's exclusive remedy in damages, in which case such credit or payment of the relevant liquidated damages or Service Credits shall be in full and final settlement of the Contractor's liability in respect of the Default to which they relate. Except in accordance with Schedule A6, POCL shall have no right of termination in relation to any such Default as is referred to in clause 802.2 above.

Clause 803. Additional Resources

In the event that the POCL Services are not provided in accordance with all applicable provisions hereof as a result of the Default of the Contractor, the Contractor shall, at the request of POCL and without prejudice to POCL's other rights and remedies, arrange all such additional resources as are reasonably necessary to correct the said failure as early as practicable thereafter and at no additional charge to POCL.

Clause 804. Recovery of Sums Due

If any sum of money shall be due from the Contractor under this Codified Agreement, the same may be deducted from any sum then due or which at any time thereafter may become due to the Contractor under this Codified Agreement. There shall be no other right of set-off or deduction in respect of sums due to the Contractor under this Codified Agreement.

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Clause 805. Intellectual Property Rights Indemnity

805.1 Subject always to POCL's proper observance of its obligations under this Clause, the Contractor shall indemnify POCL against all claims, demands, actions, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis), losses and damages arising from or incurred by reason of any infringement or alleged infringement (including but not limited to the defence of such alleged infringement) in the United Kingdom of any Intellectual Property Right by the use or possession of the Products or POCL Services by or on behalf of POCL or in connection with the POCL Services.

805.2 The Contractor shall promptly notify POCL if any claim or demand is made or action brought against the Contractor to which this Clause applies.

805.3 POCL shall promptly notify the Contractor if any claim or demand is made or action brought against POCL to which Clause 805.1 may apply. The Contractor shall at its own expense conduct any litigation arising therefrom and all negotiations in connection therewith and POCL hereby agrees to grant to the Contractor exclusive control of any such litigation and such negotiations. The Contractor shall consult with and pay due regard to the interests (including the commercial interests of the Post Office Group and the public interest) and views of POCL in the conduct of any defence to any claim or demand hereunder, and shall, where it is reasonable to do so, comply with such interests and views.

805.4 POCL shall at the request of the Contractor afford to the Contractor all reasonable assistance for the purpose of contesting any claim or demand made or action brought against POCL to which Clause 805.1 may apply or any claim or demand made or action brought against the Contractor to which Clause 805.2 may apply. The Contractor shall reimburse POCL for all costs and expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) incurred in so doing.

805.5 POCL shall not make any admissions which may be prejudicial to the defence or settlement of any claim, demand or action for infringement or alleged infringement of any Intellectual Property Right to which Clause 805.1 may apply or any claim or demand made or action brought against the Contractor to which Clause 805.2 may apply.

805.6 If a claim or demand is made or action brought to which Clause 805.1 may apply or in the reasonable opinion of the Contractor is likely to be made or brought, the Contractor may at its own expense either:

805.6.1 modify any or all of the Products or the POCL Services without reducing the performance and functionality of the same, or substitute alternative products or services of equivalent performance and functionality for any or all of the Products or the POCL Services, so as to avoid the infringement or the alleged infringement but without disrupting the performance of the POCL Services, provided that the terms herein shall apply mutatis mutandis

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to such modified or substituted items or services and such modified or substituted items shall be acceptable to POCL (whether by passing any form of acceptance testing or otherwise), such acceptance not to be unreasonably withheld or delayed, and shall reimburse POCL all reasonable costs directly incurred by them; or

805.6.2 procure a licence to use the Products and POCL Services on terms which afford to POCL no more extensive rights than those originally applicable hereunder and which are acceptable to POCL and shall reimburse POCL all reasonable costs directly incurred by it.

805.7 The foregoing provisions of this Clause 805 shall not apply insofar as any such claim or demand or action is in respect of:

805.7.1 any use by or on behalf of POCL of the Products or POCL Services in combination with any item not supplied or approved (such approval not to be unreasonably withheld or delayed) by the Contractor where such use of the Products or POCL Services directly gives rise to the claim, demand or action; or

805.7.2 any modification carried out by or on behalf of POCL to any item supplied by the Contractor under this Codified Agreement if such modification is not authorised by the Contractor in writing; or

805.7.3 any use by POCL of the Products or POCL Services in a manner not reasonably to be inferred from the specification or requirements of POCL.

805.8 If the Contractor has availed itself of its rights to modify the Products or the POCL Services or to supply substitute products or services pursuant to Clause 805.6.1 (or POCL has unreasonably withheld its acceptance of such substitute products or services) or to procure a licence under Clause 805.6.2 and such exercise of the said rights has avoided any claim, demand or action for infringement or alleged infringement, or if POCL has unreasonably withheld its acceptance of any items modified or substituted by the Contractor in accordance with Clause 805.6, then the Contractor shall have no further liability thereafter under this Clause 805 in respect of the said claim, demand or action.

805.9 If a modification or substitution in accordance with Clause 805.6.1 above is not possible so as to avoid the infringement and the Contractor has been unable to procure a licence in accordance with Clause 805.6.2, Clause 805.1 shall apply.

805.10 POCL hereby warrants and represents that any instructions given in relation to the Contractor's use of any third party item supplied directly or indirectly by POCL shall not cause the Contractor to infringe any third party's Intellectual Property Rights in such item. POCL shall, to the extent reasonably possible, assign to the Contractor any indemnity in its favour in relation to the Intellectual Property Rights in such third party items.

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805.11 The foregoing states the entire liability of the Contractor with regard to the infringement of any Intellectual Property Right by the use or possession of the Products by or on behalf of POCL or in connection with the receipt of the POCL Services.

Clause 806. Remedies Cumulative

Except as otherwise expressly provided in this Codified Agreement, all remedies available to the Contractor or to POCL for breach of this Codified Agreement are cumulative and may be exercised concurrently or separately and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

Clause 807. Dispute Resolution Procedure

Except to the extent that paragraph 6 of Schedule A11 requires otherwise, in the event of any disagreement concerning the terms of, or arising under, this Codified Agreement, the parties shall negotiate in good faith to reach an amicable resolution of the matter in question, but in default of resolution within a reasonable period either party may apply to the Courts of England & Wales for the matter to be resolved in accordance with English law.

Clause 808. Injury to Persons; Loss of Property

808.1 Subject always to POCL's proper observance of its obligations under this Clause, the Contractor shall fully indemnify POCL in respect of any personal injury or loss of or damage to Property incurred by POCL or its respective employees and authorised agents to the extent that such personal injury or loss of Property is caused by any Default of the Contractor, its employees or agents in connection with the performance or purported performance of this Codified Agreement.

808.2 In the event of any claim or demand being made or action brought to which Clause 808.1 applies, the Contractor shall be promptly notified thereof and the Contractor shall at its own expense conduct all negotiations for settlement of the same and any legal proceedings that may arise therefrom. The Contractor shall consult with and pay due regard to the interests (including the commercial interests of the Post Office Group and the public interest) and views of POCL in the conduct of any defence to any claim or demand hereunder, and shall, where it is reasonable to do so, comply with such interests and views. POCL, its employees and agents, shall at the request of the Contractor afford all reasonable assistance for the purpose of contesting any such claim or demand or action and shall be repaid any reasonable expense incurred in so doing and shall not make any admissions which may be prejudicial to the defence of such claim or demand or action.

Clause 809. Liability

809.1.1 Subject to Clauses 809.2 and 809.3, the Contractor shall be liable for all losses and shall indemnify POCL against all costs, expenses, losses and damages incurred (including any legal costs) as a result of:

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(a) any unauthorised third party access to the POCL Service Architecture;

(b) any "hacking" into the systems used by the Contractor to provide the POCL Services (whether or not constituting an offence under the Computer Misuse Act 1990);

(c) in relation to any of the Existing Services, any other form of fraud;

(d) in relation to the NBS, any other form of fraud perpetrated by:

(i) employees, agents or sub-contractors of the Contractor (such agents or subcontractors being together referred to as, "Current NBS Participants");

(ii) former employees, agents or sub-contractors of the Contractor, who have been employees, agents or sub-contractors (as the case may be) at any time on or after 14th April, 2001 (such agents or subcontractors being together referred to as, "Former NBS Participants") and who satisfy the Information Condition;

(iii) employees, agents or sub-contractors of the Contractor's Current NBS Participants who satisfy the Information Condition;

(iv) former employees, agents or sub-contractors of such of the Contractor's Current NBS Participants who have been employees, agents or sub-contractors (as the case may be) at any time on or after 14th April, 2001 and who satisfy the Information Condition; or

(v) former employees, agents or sub-contractors of such of the Contractor's Former NBS Participants who were employees, agents or sub-contractors (as the case may be) of such Former NBS Participants while those Former NBS Participants were Current NBS Participants and who satisfy the Information Condition.

809.1.2 In this Clause 809, the "Information Condition" means that the person concerned either:

(a) is or has been entitled to have access in the course of fulfilling their duties or obligations as employee, agent or sub-contractor (as the case may be) to information concerning the design or performance of security measures used by or in the NB System; or

(b) is not or was not entitled to have access to information concerning the design or performance of security measures used by or in the NB System, but:

(i) used such information obtained as a result of their relationship with the Contractor in perpetrating the fraud in question; and

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(ii) the Contractor fails to show that it had taken all reasonable steps and precautions to prevent that information being obtained.

809.2 Clause 809.1.1 shall not apply:

(a) If and to the extent that the Contractor proves that any of the matters referred to therein have been caused by POCL's non-performance of any of its obligations or responsibilities under this Codified Agreement upon the performance of which the Contractor's obligations depend. The foregoing is in place of the general rule stated in Clause 101.3.

(b) To any unauthorised access or hacking referred to therein into an element or elements (used solely for the NBS) of either the POCL Service Architecture or the NB System (excluding elements of the POCL Service Architecture or the NB System located at Outlets).

(c) If the matters referred to therein have been perpetrated through or by the use of the NBE or elements of the POCL Service Infrastructure at NBE premises other than by:

(i) employees, agents or sub-contractors of the Contractor (such agents or subcontractors being together referred to as, "Current NBS Participants");

(ii) former employees, agents or sub-contractors of the Contractor, who have been employees, agents or sub-contractors (as the case may be) at any time on or after 14th April, 2001 (such agents or subcontractors being together referred to as, "Former NBS Participants") and who satisfy the Information Condition;

(iii) employees, agents or sub-contractors of the Contractor's Current NBS Participants who satisfy the Information Condition;

(iv) former employees, agents or sub-contractors of such of the Contractor's Current NBS Participants who have been employees, agents or sub-contractors (as the case may be) at any time on or after 14th April, 2001 and who satisfy the Information Condition; or

(v) former employees, agents or sub-contractors of such of the Contractor's Former NBS Participants who were employees, agents or sub-contractors (as the case may be) of such Former NBS Participants while those Former NBS Participants were Current NBS Participants and who satisfy the Information Condition.

809.3 The Contractor shall not, under Clause 809.1.1, be liable for or indemnify POCL in respect of any costs, expenses, losses or damages incurred by POCL (including any legal costs) referred to therein which relate solely to the NBS.

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809.4 Notwithstanding anything else to the contrary in this Codified Agreement (including, without limitation, Clause 809.1.1):

(a) POCL shall not have any right of action against the Contractor in respect of any costs, expenses, losses or damages arising as a result of the loss, theft or compromise of a MAC Key or the subsequent use of such MAC Key except to the extent that such loss, theft or compromise or such costs, expenses, losses, or damages arise as a result of the fraud or Default of the Contractor or of its employees, agents or subcontractors.

(b) The Contractor shall not be liable for any costs, expenses, losses or damages suffered or incurred by POCL in relation to:

(i) Banking Transactions falsely or incorrectly authorised unless and to the extent caused by a failure of the NB System or of the NBS which is (in either case) a Default.

(ii) Fraudulent use of an NB Token by any person, unless and to the extent that such use is carried out by or involves collusion with the Contractor's employees, or otherwise arises from a Default or fraud of the Contractor.

809.5 In any case where POCL incurs any costs, expenses, losses or damages as referred to in Clause 809.1.1, Clause 809.1.1 shall be presumed to apply unless the Contractor proves that Clause 809.2 applies.

Clause 810. Limitation of Liability

810.1 Neither party hereto excludes or limits its liability to any other party for death or personal injury or any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

810.2 Subject always to Clause 810.1, the liability of each party for Defaults shall be subject to the financial limits set out in this Clause 810.2.

810.2.1 The aggregate liability for all Defaults resulting in direct loss of or damage to the Property of any other party under this Codified Agreement shall in no event exceed:

810.2.1.1 nine million pounds (£9,000,000), in the case of POCL; and

810.2.1.2 ten million pounds (£10,000,000) per Year in relation to such Defaults arising during that Year, in the case of the Contractor.

810.2.2 The aggregate liability per Year under this Codified Agreement of POCL for all Defaults (other than a Default governed by Clause 810.2.1) arising

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during that Year shall in no event exceed four million five hundred thousand pounds (£4,500,000).

810.2.3 The aggregate liability under this Codified Agreement of the Contractor for all Defaults (other than a Default governed by Clause 810.2.1) shall in no event exceed two hundred million pounds (£200,000,000) and shall not exceed eighty million pounds (£80,000,000) in any one calendar year.

810.2.4 Subject to Clause 810.2.5, the financial limits specified in Clause 810.2 shall (notwithstanding the reference to Defaults) apply to the aggregate of all claims for monetary relief which either party may have against the other either under this Codified Agreement or otherwise in relation to the subject matter of this Codified Agreement, including as well as claims arising from defaults all claims for liquidated damages and Service Credits pursuant Clause 802, all claims to be indemnified pursuant to Clauses 805, 808 or 809 and all other claims or costs which are compensatable in money or money's worth.

810.2.5 The financial limits applicable to POCL under Clause 810.2 shall be exclusive of and additional to any liability of POCL to pay any Charges (including any adjustment pursuant to Clause 606.2.1.1), the Transfer Payment or any Termination Charges which may become properly due and payable to the Contractor in accordance with the provisions hereof or any sum by way of interest thereon that a court may award.

810.3 Subject always to Clause 810.1, in no event shall any party be liable to any other party for indirect or consequential loss or damage. For the avoidance of doubt, this Clause shall not be deemed or construed to affect the Contractor's liability under Clause 809.

810.4 The provisions of Clause 810.3 shall not be taken as limiting the right of POCL to claim from the Contractor for:

810.4.1 additional operational and administrative costs and expenses; and/or

810.4.2 expenditure or charges rendered unnecessary as a result of any Default by the Contractor.

810.5 The parties expressly agree that should any limitation or provision contained in this Clause be held to be invalid under any applicable statute or rule of law it shall to that extent be deemed omitted but if any party thereby becomes liable for loss or damage which would otherwise have been excluded such liability shall be subject to the other limitations and provisions set out herein.

810.6 For the avoidance of doubt, it is acknowledged that nothing in this Codified Agreement shall be deemed or construed to relieve either party of its common law duty to the other party against which a claim may be made to mitigate any loss which is the subject of such claim. In applying the Contractor's common law and

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contractual obligations to mitigate (whether for the purpose of calculating the Termination Payment or otherwise) no regard shall be paid to the manner in which the Roll Out Payment is stated to be apportioned in the definition of the term "Roll Out Payment".

810.7 POCL and the Contractor shall use all reasonable endeavours to resolve by 20th December 1999 all agreements to agree which are outstanding at 28th July 1999.

810.8 The Contractor shall not be liable for any failure or delay in performing any of its obligations under this Codified Agreement where such failure or delay is the direct consequence of a failure by POCL and the Contractor to resolve any outstanding agreements to agree for so long as such failure to resolve continues.

810.9 For the avoidance of doubt, the parties agree that POCL shall not be liable to indemnify or otherwise compensate the Contractor for any additional costs, expenses, losses or damages incurred directly or indirectly as a result of the failure by the Contractor and POCL to resolve any outstanding agreements to agree.

810.10 The parties agree that:-

810.10.1 to the extent that amendments were required to the provisions of the Clauses and Schedules of this Codified Agreement in order to reflect the matters agreed in the CCNs listed in Schedule A17 those amendments have been made. Subject to sub Clauses 810.10.2, 810.10.3 and 810.10.5 below, the said CCNs have accordingly been superseded by this Codified Agreement to that extent but this shall be without prejudice to the application of the said CCNs to matters other than the Clauses and Schedules of this Codified Agreement (including their application to, or the introduction of, CCDs and CRDs and/or to any charges or credits specified in the said CCN which shall be due or which shall become due to be paid or allowed);

810.10.2 the following provisions of the Second Supplemental Agreement between the parties dated 24 September 1999 (CCN560) have been reflected by amendment to this Codified Agreement:

810.10.2.1 Clause 5 and Schedule 3 thereof;

810.10.2.2 Clause 10 thereof;

810.10.2.3 the amendments contained in Schedule 5 thereof as incorporated by Clause 11 thereof;

810.10.3 save to the extent referred to in Clause 810.10.2 above as having been reflected in this Codified Agreement the provisions of the Second Supplemental Agreement (CCN560) and of the Side Agreement dated 24 September 1999 (CCN561) have not been

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reflected by amendment to this Codified Agreement and accordingly shall remain in effect insofar as applicable;

810.10.4 those CCNs and Change Requests formally submitted on or prior to 1 July, 1999 and not listed in Schedule A17 are not relevant to this Codified Agreement and shall forthwith cease to have effect;

810.10.5 the provisions of CCN649a, CCN650a, CCN662, CCN664a, CCN699, CCN720, CCN714, CCN734, CCN747, CCN751, CCN752, CCN755, CCN754c, CCN762, CCN767 CCN776 , 754c and 829 (including any provisions set out in any attachments to those CCNs) have not been reflected by amendment to the Codified Agreement and accordingly shall remain in effect insofar as applicable save that the provisions in CCNs 754c and 829 relating to the payment of Charges by POCL have been incorporated into Schedule A12 of this Codified Agreement and such provisions contained in CCNS 754c and 829 are superseded with the effect that no payments of Charges shall be due under CCNs 754c and 829 to the Contractor from POCL;

810.10.6 the following provisions shall apply in respect of the Network Banking CCNs:

810.10.6.1 all performance by each party of its obligations pursuant to the Network Banking CCNs since 16 July 2001 shall be deemed to be performance of the corresponding obligations undertaken by each party under this Codified Agreement as amended by CCN850;

810.10.6.2 all such performance of the Network Banking CCNs shall be subject to all applicable provisions of this Codified Agreement as amended or introduced by CCN850, each such amended or new provision coming into force and being effective from the relevant date specified in CCN850;

810.10.6.3 POCL's obligations to pay the Contractor's Charges for work carried out under the Network Banking CCNs shall be as set out in parts C and D of Schedule A12 (as amended);

810.10.6.4 any liability of either party connected with its performance of obligations under the Network Banking CCNs shall arise under this Codified Agreement as amended by CCN850 and shall be subject to any applicable limits or exclusions of liability contained in

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this Codified Agreement and not those contained in the Network Banking CCNs;

810.10.6.5 subject to sub-Clause 810.10.6.4, sub-Clauses 810.10.6.1 and 810.10.6.2 shall be without prejudice to any accrued rights or outstanding liabilities of either party in respect of breaches of any of the Network Banking CCNs by the other party;

810.10.6.6 for the purpose of statutory limitation, any cause of action of either party arising from a breach of the Network Banking CCNs shall be deemed to arise when that breach of the Network Banking CCN took place and not on the date of approval of CCN850;

810.10.6.7 any right, approval or consent granted by either party to the other under or in connection with work carried out under the Network Banking CCNs shall be deemed to have been granted (to the same extent that it was given under the relevant Network Banking CCN) under this Codified Agreement as amended by CCN850;

810.10.6.8 the Network Banking CCNs are terminated by CCN850 and are superseded by the provisions of this Codified Agreement as amended by CCN850.

810.11 The parties shall identify and prioritise any outstanding CCN's and/or approve new CCNs, all as required to cover outstanding agreements to agree and other matters, in each case relevant to the Core System Release.

810.12 [Not used]

810.13 Notwithstanding any provision in this Codified Agreement, if, in connection with the performance by POCL of its responsibilities in relation to in-office data migration as referred to in the Migration Specification, there shall be a breach of the integrity of, or the introduction of any viruses into, any system or disk through use by POCL of a laptop computer supplied by the Contractor for use in in-office data migration then the consequences of such breach or introduction of viruses shall be as follows:-

810.13.1 POCL shall not be liable to the Contractor therefor and such breach or introduction of viruses shall not be a Default for the purposes of this Codified Agreement;

810.13.2 the Contractor shall accordingly not be entitled to any time or cost adjustment pursuant to Clause 606.2.1.1; and

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810.13.3 the Contractor shall not be liable for liquidated damages and this Codified Agreement shall not be liable to termination, in each case as a result of any delay or reduction in Service Levels, caused by such breach or introduction of viruses, which could not reasonably be avoided or mitigated by the Contractor.

PART 9 : TERM AND TERMINATION

Clause 901. Term

The term of this Codified Agreement shall, unless terminated earlier in accordance with the provisions of Clause 902, be for a period commencing on the date hereof and ending on 31st March, 2005.

Clause 902. Termination of Codified Agreement

902.1 POCL may at any time by notice in writing terminate this Codified Agreement with effect from the date of service of such notice or such later date as may be specified therein if:

902.1.1 there is a change of control, as defined by Section 416 of the Income and Corporation Taxes Act 1988, in the Contractor or the Guarantor; or

902.1.2 the Contractor or the Guarantor, being an individual, or where the Contractor or the Guarantor is a firm, any partner or partners in that firm who together are able to exercise direct or indirect control, as defined by Section 416 of the Income and Corporation Taxes Act 1988, shall at any time become bankrupt or shall have a receiving order or administration order made against him or shall make any composition or arrangement with or for the benefit of his creditors, or shall make any conveyance or assignment for the benefit of his creditors, or shall purport to do so, or appears unable to pay or to have no reasonable prospect of being able to pay a debt within the meaning of Section 268 of the Insolvency Act 1986 or he shall become apparently insolvent within the meaning of the Bankruptcy (Scotland) Act 1985 as amended by the Bankruptcy (Scotland) Act 1993 or any application shall be made under any bankruptcy or insolvency act for the time being in force for sequestration of his estate, or a trust deed shall be granted by him for the benefit of his creditors; or any similar event occurs under the law of any other jurisdiction; or

902.1.3 the Contractor, being a company, passes a resolution, or the Court makes an order that the Contractor or the Guarantor be wound up otherwise than for the purpose of a bona fide reconstruction or amalgamation, or a receiver, manager or administrator on behalf of a creditor is appointed in respect of the business or any part thereof (which for the avoidance of doubt shall not include any subsidiary company of the Contractor or of the Guarantor) of the Contractor or the Guarantor, or circumstances arise which entitle the Court or a creditor to appoint a receiver, manager or

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administrator or which entitle the Court otherwise than for the purpose of a bona fide reconstruction or amalgamation to make a winding-up order, or the Contractor or the Guarantor is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or any similar event occurs under the law of any other jurisdiction; or

902.1.4 any provision hereof other than Clause 902 expressly entitles POCL to terminate this Codified Agreement; or

902.1.5 the circumstances in Clause 606.3.6 arise and either the obligation in question is not capable of being performed again, or, if it is so capable, is not so performed again within thirty (30) days of written notice to the Contractor specifying the obligation in question and requiring it to be performed or within such other period as may be requested by the Contractor and agreed by POCL, such agreement not to be unreasonably withheld or delayed; or

902.2 Subject to Clause 905.3, POCL may at any time by notice in writing terminate this Codified Agreement with effect from the date of service of such notice or such later date as may be specified therein, if the Contractor is in Default of any obligation under this Codified Agreement and:

902.2.1 the Default is capable of remedy and the Contractor shall have failed to remedy the Default within thirty (30) days of written notice to the Contractor specifying the Default and requiring its remedy or within such other period as may be requested by the Contractor and agreed by POCL, such agreement not to be unreasonably withheld or delayed;

902.2.2 the Default is not capable of remedy (and for the purposes of this Clause, failure to comply with a timescale shall not of itself be considered a Default not capable of remedy except pursuant to Clause 606.4); or

902.2.3 notice has been served pursuant to Clause 606.4 making time of the essence and all or any of the obligations specified in the notice have not been performed by the time limit stated in the notice.

902.3 POCL may terminate this Codified Agreement in the circumstances referred to in paragraph 3 of Schedule A11.

902.4 In the event of any termination of this Codified Agreement pursuant to Clause 902.1, Clause 902.2 or 902.3 POCL shall return the POCL Service Infrastructure or any part thereof (other than any part in relation to which it has exercised the option to acquire under Clause 903), in which case the Contractor shall at no additional cost to POCL, remove such parts of the POCL Service Infrastructure and shall make good any damage to the POCL Premises occasioned by such removal.

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902.5 POCL shall only be permitted to exercise its rights pursuant to Clause 902.1.1 for three (3) months after each such change of control and shall not be permitted to exercise such rights where POCL has agreed in advance in writing to the particular change of control and such change of control takes place as proposed. The Contractor shall notify POCL in advance of any change of control taking place, if legally possible, or if not so possible as soon as reasonably practicable, and in any event no later than one (1) month after such change of control taking place.

902.6

902.6.1 POCL may terminate this Codified Agreement by giving the Contractor not less than twelve (12) months' notice.

902.6.2 [Not used].

902.6.3 In the event of such notice being given, POCL shall on termination hereof pay to the Contractor the Termination Charge (calculated in accordance with Schedule A7) and the NBS Termination Charge (calculated in accordance with Schedule N6).

902.6.4 [Not used].

902.6.5 [Not used].

902.7 Termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either party.

902.8 The provisions of Clauses 101, 102, 104, 506, 607, 609, 610, 801, 804, 805, 809.4 810, (other than 810.7 and 810.10) 902, 903 and 904, the provisions of Schedules A1, A3, A7, N6 and A12 and paragraphs 2.3.4 and 4 of Schedule B11 shall survive the termination of this Codified Agreement by POCL or the expiry of this Codified Agreement.

Clause 903. Rights on Expiry or Termination of Codified Agreement

903.1 In the event of termination or expiry of this Codified Agreement, POCL shall, without prejudice to POCL's other rights and remedies but subject to payment of all sums due and payable to the Contractor up to the date of termination, have the option, exercisable at any time within one month after notice of termination, to acquire from the Contractor or to require the Contractor to permit a replacement contractor to acquire from it, in consideration of the Transfer Payment and the NBS Transfer Payment, the Project Assets, which shall comprise:-

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903.1.1 any or all of the hardware that is comprised within the POCL Service Infrastructure and/or that:

(a) is being used; or

(b) had previously been used in Outlets and is no longer being used (other than any such hardware that is no longer being used because it was replaced by spare, upgraded or alternative equipment)

in connection with the performance of the POCL Services (other than where such hardware is not owned by the Contractor or any of its subsidiary companies);

903.1.2 a non-exclusive licence to use for the continuation of services equivalent to the POCL Services any necessary Intellectual Property Rights which are owned by the Contractor and used in connection with the performance of this Codified Agreement. Such licence shall:

903.1.2.1 not be subject to payment other than pursuant to Clause 903.1.6;

903.1.2.2 be perpetual and irrevocable (subject to Clause 506.12); and

903.1.2.3 permit use by members of the Post Office Group and End Users.

903.1.3 the right to require that the Contractor shall assign or novate, or (if assignment or novation is not possible) arrange for the benefit thereof to be transferred, in favour of POCL or to any person as may be designated for the purpose by POCL any sub-contracts, equipment rental or lease agreements and all other (non-employment) agreements entered into by the Contractor which are necessary to the performance of the POCL Services as POCL may designate;

903.1.4 a copy of all the Software and all other software, data, tools, utilities, documentation and any other item necessary to provide the POCL Services. Such software (other than any in respect of which POCL has exercised its option under Clause 903.1.2) shall be subject to any applicable licence terms, provided that such terms shall not detract from POCL's or a replacement contractor's ability to provide services equivalent to the POCL Services.

903.1.5 Notwithstanding the generality of Clauses 903.1.1 to Clause 903.1.4 POCL agrees only to exercise its rights under such Clauses to the extent that the relevant Project Assets apply to, and are required for the operation of, the Core System Services or the Network Banking Service.

903.1.6 In the event that POCL exercises any of the options in Clause 903.1, POCL shall pay to the Contractor on completion of such option a sum equal to the Transfer Payment and the NBS Transfer Payment.

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903.2 In the event that this Codified Agreement is terminated as provided for herein:

903.2.1 [Not used]

903.2.2 the Contractor shall return to POCL all Post Office Group Property in its possession;

903.2.3 the Contractor shall render all practicable assistance to POCL, if requested, to the extent necessary to effect an orderly assumption by POCL or a replacement contractor of the services theretofore performed by the Contractor under this Codified Agreement and POCL shall reimburse the Contractor for such assistance at the rates then prevailing for customers of the Contractor for the same or similar services;

903.2.4 POCL shall be entitled on termination to offer any employee or sub-contractor (being an individual) of the Contractor who has during the six (6) months prior to such offer been involved for at least seventy five per cent (75%) of his contracted working time in performing the Contractor's obligations under this Codified Agreement employment or an agreement for services with POCL and the Contractor agrees that if such person accepts such offer the Contractor shall release such person from any breach of contract with it (other than in relation to such person's obligations of confidentiality and notice of termination) which such acceptance may otherwise involve; and

903.2.5 (a) as soon as possible following any notice of termination being given (in the case of an early termination of this Codified Agreement) and no later than three (3) months prior to the expiry of this Codified Agreement (in the case of the termination of this Codified Agreement through the effluxion of time) the Contractor shall at the request of POCL provide to POCL or to a replacement contractor nominated by POCL details of the terms of employment of all Contractor personnel who are then employed in the performance of the POCL Services as reasonably required by POCL in order to permit compliance with the Transfer of Undertakings (Protection of Employment) Regulations 1981 by POCL or a replacement contractor;

(b) subject always to POCL's proper observance of their obligations under Clause 903.2.5(c), the Contractor shall fully indemnify POCL from and against any and all liabilities which POCL may incur in connection with or as a result of any claim or demand whatsoever by any employee or former employee of the Contractor or of any of the Contractor's sub-contractors or agents in respect of his employment with the Contractor or such sub-contractor or agent (or, pursuant to the application of the Transfer of Undertakings (Protection of Employment) Regulations 1981, with POCL or any replacement contractor) and/or its termination save

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to the extent such claim or demand both (i) is made by an employee identified within the relevant employment details referred to in Clause 903.2.5(a) as transferring pursuant to the Regulations and (ii) relates to employer's obligations accruing after the said transfer of employment which are clearly identified within the relevant employment details;

(c) in the event of any claim or demand being made or action brought to which Clause 903.2.5(b) applies, the Contractor shall be promptly notified thereof and the Contractor shall at its own expense conduct all negotiations for settlement of the same and any legal proceedings that may arise therefrom. POCL, its sub-contractors, agents and employees shall at the request of the Contractor afford all reasonable assistance for the purpose of contesting any such claim or demand or action and shall be repaid any reasonable expense incurred in so doing and shall not make any admissions which may be prejudicial to the defence of any such claim or demand or action.

903.3 All the assets to be acquired pursuant to the exercise by POCL of its option under Clause 903.1 shall be acquired "as is", but free from encumbrances and the parties agree that all express and implied warranties and conditions relating to such assets are excluded to the full extent permitted by law.

Clause 904. Transfer Services

904.1 In the event of termination of this Codified Agreement, the Contractor shall perform the Transfer Services as set out in Schedule A7 and the Network Banking Transfer Services as set out in Schedule N6.

Clause 905. Termination of NBS and PIN Pad Implementation Service

905.1 Prior to NBS Acceptance, POCL may at its discretion (without being obliged to give any reasons) terminate the NB/PIN Pad Services by giving the Contractor not less than two (2) weeks' notice.

905.2 Prior to NBS Acceptance, POCL may at any time by notice in writing terminate the NB/PIN Pad Services with effect from the date of service of such notice or such later date as may be specified therein, if the Contractor commits an NBS Default and:

905.2.1 the NBS Default is capable of remedy and the Contractor shall have failed to remedy the NBS Default within thirty (30) days of written notice to the Contractor specifying the NBS Default and requiring its remedy or within such other period as may be requested by the Contractor and agreed by POCL, such agreement not to be unreasonably withheld or delayed; or

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905.2.2 the NBS Default is not capable of remedy (and for the purposes of this Clause, failure to comply with a timescale shall not of itself be considered a NBS Default not capable of remedy).

905.3 Prior to NBS Acceptance, POCL may not terminate this Codified Agreement for Defaults which are exclusively NBS Defaults, but this Clause shall not act to restrict or curtail POCL's rights under this Codified Agreement in respect of Defaults of the Contractor which are not exclusively NBS Defaults.

905.4 In the event of notice being given under Clause 905.1, POCL shall on termination of the NB/PIN Pad Services hereof pay to the Contractor the NBS Termination Charge (calculated in accordance with Schedule N6).

905.5 From NBS Acceptance, the NB/PIN Pad Services shall become an inseparable part of this Codified Agreement and shall be terminable with the Existing Services on the terms of this Codified Agreement.

905.6 In the event of termination of the NB/PIN Pad Services before NBS Acceptance, POCL shall, without prejudice to POCL's other rights and remedies but subject to payment of all sums due and payable to the Contractor up to the date of NB/PIN Pad Services termination, have the option, exercisable at any time within one month after notice of termination, to acquire from the Contractor or to require the Contractor to permit a replacement contractor to acquire from it, in consideration of the NBS Transfer Payment, those NB/PIN Pad Service specific Project Assets which can be separated without impact upon performance of the Existing Services.

905.7 In the event of termination of the NB/PIN Pad Services, the Contractor shall perform the Network Banking Transfer Services as set out in Schedule N6. In the event that POCL exercises the option referred to in Clause 905.6, POCL shall pay to the Contractor the NBS Transfer Payment (calculated in accordance with paragraph 4.3 of Schedule N06).

905.8 All the assets to be acquired pursuant to the exercise by POCL of its option under Clause 905.6 shall be acquired "as is", but free from encumbrances and the parties agree that all express and implied warranties and conditions relating to such assets are excluded to the full extent permitted by law.

PART 10 : MISCELLANEOUS

Clause 1001. Corrupt Gifts and Payments of Commission

1001.1 The Contractor shall neither:

1001.1.1 offer or give or agree to give any person employed by the Post Office Group (which term shall include all persons employed or engaged by the Post Office Group and all persons providing services to the Post Office Group) any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or

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for having done or forborne to do any act in relation to the obtaining or performance of this Codified Agreement or any other agreement with the Post Office Group or for showing or forbearing to show favour or disfavour to any person in relation to this Codified Agreement; nor

1001.1.2 enter into this Codified Agreement if in connection with it commission has been paid or agreed to be paid to any person employed by the Post Office Group by the Contractor or on the Contractor's behalf or to the Contractor's knowledge, unless before this Codified Agreement is made particulars of any such commission and of the terms and conditions of any agreement for the payment thereof have been disclosed in writing to POCL.

1001.2 In the event of any breach of this Clause 1001 by the Contractor or by anyone employed by the Contractor or acting on the Contractor's behalf (whether with or without the knowledge of the Contractor) or the commission of any offence by the Contractor or by anyone employed by the Contractor or acting on behalf of the Contractor under the Prevention of Corruption Acts, 1889 to 1916 in relation to this or any other contract with the Post Office Group, POCL may terminate this Codified Agreement by notice in writing to the Contractor pursuant to Clause 902.1.4. Provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall accrue thereafter to POCL and provided always that POCL may recover from the Contractor the amount or value of any such gift, consideration or commission.

1001.3 The decision of POCL shall be final and conclusive in any dispute, difference or question arising in respect of:

1001.3.1 the interpretation of this Clause (except so far as the same may relate to the amount recoverable from the Contractor under Clause 1001.2 in respect of any loss resulting from such termination of Codified Agreement);

1001.3.2 the right of POCL under this Clause 1001 to terminate the Codified Agreement; or

1001.3.3 the amount or value of any such gift, consideration or commission.

Clause 1002. Discrimination

1002.1 The Contractor shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, regulation or other similar instrument relating to discrimination (whether in relation to race, gender, religion or otherwise) in employment.

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1002.2 The Contractor shall take all reasonable steps to ensure the observance of the provisions of Clause 1002.1 by all servants, employees, agents and consultants of the Contractor and all sub-contractors.

Clause 1003. Export of Products

For the purpose of this Codified Agreement only, POCL confirms that neither the Products nor their direct product(s) will be exported by POCL unless in accordance with any appropriate UK Government export licensing controls.

Clause 1004. Guarantee

1004.1 The Contractor shall procure that within thirty (30) days after the date of approval of CCN850;

1004.1.1 Fujitsu Services Holdings plc shall execute and deliver to POCL a letter in the form set out in Part C of Schedule A13; and

1004.1.2 Fujitsu Limited shall execute and deliver to POCL a letter in the form set out in Part D of Schedule A13.

1004.2 Breach of Clause 1004.1 shall constitute a Default not capable of remedy.

Clause 1005. Insurance

The Contractor shall to the extent reasonably possible insure or make provision for self-insurance against all losses and damages which are the result of its fault or negligence in performing the POCL Services, including workman's compensation, public liability, product liability, property damage and professional indemnity. The Contractor will, if requested in writing by POCL, produce to POCL a certificate of insurance showing the applicable coverage currently in force, and will also give POCL prior written notice of (where possible), or written notice no later than thirty (30) days after, alteration or cancellation of such insurance.

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CODIFIED AGREEMENT

IN WITNESS WHEREOF this Codified Agreement has been executed on behalf of the parties as follows:-

Signed by)
for and on behalf of)
POST OFFICE COUNTERS LTD) S. J. Sweetman
in the presence of:-) (signed)

Paul Lam-Po-Tang
Visiting Lawyer
Slaughter and May
35 Basinghall Street
London EC2V 5DB

Signed by)
for and on behalf of)
ICL PATHWAY LIMITED) R. Christou
in the presence of:-) (signed)

Myles Blewett
Masons
30 Aylesbury Street
London EC1R 0ER

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SCHEDULE 1- POCL SERVICE ENVIRONMENT

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN377 to 5.4	
1.1	Frozen baseline copy of 1.1a	18/10/1999
2.0a	Draft incorporating changes for NBS	7/12/01
2.0b	Revised draft incorporating comments from Network Banking Meeting 10/12/01	
2.0	Baseline copy of 2.0b	28/1/02
4.0a	New Schedule to introduce Network Banking Service	20/6/02
4.0	To introduce Network Banking Service	21/06/02

1. INTRODUCTION

1.1. This Schedule provides an overview of the POCL Service Environment, including POCL's computer, telecommunication and business operating systems and services relevant to the Codified Agreement.

2. OVERVIEW OF POST OFFICE LTD

2.1. Legislative Framework

2.1.1. Post Office Ltd is a wholly owned subsidiary of Consignia plc. The business environment of Post Office Ltd is governed by the Post Office Act 1969(as amended), the British Telecommunications Act 1981 and the Postal Services Act 2000.

2.2. Main Areas Of Business

2.2.1. POCL provides services to a diverse range of Customers on behalf of a wide range of Clients. Services provided by POCL include:

- benefit payments services;
- postal and communications services;
- licensing services;
- financial services;
- bill payment services; and
- retail services.

2.2.2. POCL conducts its business through a national network of Outlets comprising directly operated offices (owned and

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staffed by POCL) and agency offices which are run by individuals or organisations as Agents.

2.2.3. In December 2001 POCL had over 14,000 employees and over 50,000 agents and assistants based in post offices, support units and Head Office.

2.2.4. POCL's retail network is supported by a network of physical distribution centres. In addition to distributing cash and stock to the Outlets and receiving returns, the distribution centres also perform certain transactions on behalf of POCL Clients, for example accepting Girobank business deposits.

2.2.5. POCL continues to develop both replacement and new products and services, in response to the changing requirements of Customers, Clients and Agents.

3. **NOT USED.**

4. **BILL PAYMENT**

4.1. Bill payment services which POCL provides on behalf of POCL Clients and which shall be supported by the POCL Services and the POCL Service Infrastructure, interface to a range of Client Systems, POCL Staff and Agents.

5. **COMPUTER SYSTEMS AND SERVICES**

5.1. The POCL Service Environment includes the following systems and services:

- Host Polling System;
- Document Processing Centres;
- Transaction Information Processing (TIP) - to support POCL requirements for transaction information for management and reconciliation purposes;
- Reference Data System - providing Reference Data in support of the POCL Services;
- Advanced Distribution System (SAP/ADS) - providing cash and stock management services for Outlets and distribution centres.

5.2. Not used.

5.3. The following systems shall also form part of the POCL Service Environment when development has been completed:

- NBE - to support the Network Banking Service.

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5.4. Interface specifications at the boundary of the CONTRACTOR and POCL domains are set out in Application Interface Specifications and Technical Interface Specifications .

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SCHEDULE A01- INTERPRETATION

Version reference	Reason for change	Frozen/issue date
1.0	As signed (not in this format)	28 July 1999
1.1a	CCN312a adds "HAPS"; CCN411a adds "SPM"; CCN432a amends "Acceptance Incident"	
1.1	Baseline copy of 1.1a	18 October 1999
1.2a	CCN245c add "Working Document"; CCN323a to "APS Generic Rules"; CCN525 to amend "POCL Data"	
1.2	Baseline copy of 1.2a	30 November 1999
1.4a	CCN598a to amend "PPDs"; CCN617 to remove "Contract Steering Group", "CCB", "Change Control Board", "New Business Board" and add "JCCB", "Joint Change Control Board", "New Requirements Board", "Joint National Roll-Out Board", "Joint CSR+ Project Board"; CCN659 to add "Post Office Network", "PON"	
1.4	Baseline copy of 1.4a	21 July 2000
2.0a	Applying CCN690 to replace definitions of 'CCD' & 'CRD', CCN696a to defintion of CSR+;CCN655a add 2 new definitions & amend definition of CS Completion Date	
2.0b	Adjusting 'outlet' word in CCN655a;Adding in omitted CCN 717a	
2.0	Baseline copy of 2.0b	12 January 2001
4.0a	New Schedule to introduce Network Banking Service	20/06/02
4.0	To introduce Network Banking Service	21.06.02

DEFINITION OF TERMS

As used in this Codified Agreement, the following terms have the following meanings.

Acceptance:
Acceptance of a POCL Service or Release in accordance with the relevant Acceptance Procedure.

Acceptance Criteria:
The criteria for Acceptance of POCL Services or Releases as agreed in writing by POCL and the Contractor. This includes the Operational Trial Criteria.

Acceptance Incident:
Any unusual or undesirable occurrence, or request for advice and guidance, which has been reported in writing to the Contractor for analysis in respect of an Acceptance Test.

Acceptance Period:
The period identified in the appropriate Acceptance Specification as the allowable time for an Acceptance Test. This includes the Operational Trial Period.

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Acceptance Procedure:
Any procedure agreed for Acceptance of a POCL Service or a Release.

Acceptance Specification:
A document describing the details of an Acceptance Test.

Acceptance Test:
A process, defined in any Acceptance Procedure, for determining whether a Service meets the relevant Acceptance Criteria, and which may include Acceptance Trials, Acceptance Reviews, or both of these.

Accounting Week:
A period (of consecutive days) which is defined in POCL Reference Data provided to Pathway and which begins and ends at midnight. For information only, such period will usually commence at midnight on Thursday and last for a period of seven days.

Additional POCL Service:
Any POCL Service to be supplied pursuant to Clause 204 of this Codified Agreement.

Additional Product:
Any Product to be supplied pursuant to Clause 207 of this Codified Agreement.

Additional Time:
The meaning ascribed to it in paragraph 5.9.2 of Schedule N01;

Admin Positions:
The meaning ascribed to it in paragraph 2.3 of Schedule N01.

Advertisement:
The advertisement placed by POCL and the DSS in the Official Journal of the European Communities on 30 August 1994 for the supply of (inter alia) the POCL Service Infrastructure and the POCL Services.

Agent:
Any person authorised to operate a franchise post office or sub-post office, including without limitation sub-post masters on a non-franchise contract, and franchisees of post offices or sub-post offices.

AIS:
Application Interface Specification.

ALPS:
An existing POCL order book control system.

AP:
Automated payment, effected by the Automated Payment Service.

APACS:
The Association for Payment and Clearing Services.

AP Client Specification:
A document describing an APS Client Service Type.

Application:
A Service delivered through and dependent upon the medium of the POCL Service Infrastructure.

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Application Interface Specification:
A CCD describing an interface, including, but not limited to, the definition with which data transferred across that interface must comply.

approve:
To approve in writing, and related terms shall be construed accordingly.

APPU:
Automated payments peripherals unit.

APS:
Automated Payment Service (q.v.).

APS Client Service Type:
Each APS Client Service Type is a particular variant of APS characterised by a specific Token, specific processing rules and specific Client communication protocols. Each APS Client Service Type is documented in an AP Client Specification.

APT:
The Automated Payment Terminal.

Archive Server:
The platform on which the Contractor gathers and archives data for subsequent retrieval and/or analysis.

Asset Manager:
The Software referred to as such and identified in Schedule B01.

Associated Fee:
A fee charged by POCL to Customers on its own or a Client's behalf for a service or goods, that is collected when the service is performed or the goods are supplied.

ATM:
Automated teller machine.

Attachable Computer System:
A computer system (provided either by the Contractor under this Codified Agreement, or by any other party authorised by POCL and agreed with the Contractor) authorised by POCL for connection to the POCL Service Infrastructure.

Audit Record Query:
The meaning ascribed to it in paragraph 7.3.1 of Schedule N01.

Authorisation:
An authorisation message transmitted on-line from the NBE or the Authorisation Agent in response to a Request, stating whether that Request has been approved or Declined.

Authorisation Agent:
The software application to be installed in each Data Centre and used to process Requests and Authorisations transmitted between the Outlet NB System elements and the NBE.

Authorised Official:
A person authorised by POCL to sanction alterations or modifications to POCL Premises.

Authorised Person:
A person authorised to collect a benefit payment.

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Authorising Officer:
A representative of POCL who has authority to raise orders, authorise invoices, and may make decisions on specified areas on behalf of POCL.

Authorities' Agreement:
The agreement dated 15th May, 1996 between DSS, POCL and the Contractor, referred to in Recital (b) to this Codified Agreement.

Automated Payment Service:
The automated payment service supplied by the Contractor pursuant to Clause 405.1 of this Codified Agreement.

Balance:
The process of reconciling the cash and Stock on hand at the start and end of a period (which may be a POCL Outlet Accounting Period) with sales and receipts during the period.

Balancing Period:
The time between final Balances of a Stock Unit.

Bank Interface Testing Stage:
The meaning ascribed to it in paragraph 1.7 of Annex 1 to Schedule N02.

Banking Transaction:
The Transactions supported by the NBS set out in paragraph 5.1.2 of Schedule N01.

Banks:
The banks, building societies and/or other organisations for or on behalf of which POCL provides banking services from time to time, as agreed by the parties pursuant to the Operational Business Change procedure and/or the Change Control Procedure, as appropriate.

Beneficiary:
A person entitled to receive one or more benefits.

Board:
Any of the bodies referred to in paragraph 2.1.2 of Schedule A04

Bronze Service Outlet:
An Outlet that seeks to use a Dialled Connection 24 hours per day, 7 days per week.

C0 Confirmation:
A confirmation message written by the NBS Counter Application during a Banking Transaction when that Banking Transaction has been Declined for a reason other than the receipt from the NBE of an Authorisation Declining the Banking Transaction.

C0 Confirmation Agent:
The software application to be installed in each Data Centre and used to process C0 Confirmations transmitted between the Outlet NB System elements and the NBE.

C1 Confirmation:
A confirmation message created by the NB Counter Application at the end of a Banking Transaction, (and written to the message store at the end of the EPOSS session) which records the outcome of the Banking Transaction.

C1 Confirmation Agent:
The software application to be installed in each Data Centre and used to process C1 Confirmations transmitted between the Outlet NB System elements and the DRSH.

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C4 Confirmation:
A Confirmation sent from the NBE containing, inter alia, the NBE's view of a Banking Transaction.

CAPO:
The Bank which supports Post Office account cards.

Cash Account:
The method by which the Transactions performed and the cash and Stock on hand at the end of a POCL Outlet Accounting Period are declared to POCL main accounting offices.

Cash Account Period:
The meaning ascribed to it in paragraph 3.6 of Schedule G01.

Cash-Back:
An EFTPOS arrangement which allows a Customer to draw cash as part of a normal Transaction.

Cash Centre:
A centre that manages and distributes value items for the POCL network.

Cash Flow Reporting:
Reporting by an Outlet to a counters remittance unit at the end of the POCL Outlet Accounting Period. Each such report consists of a summary over the POCL Outlet Accounting Period of the daily declarations made at close of business of its cash in hand, cash Remittances sent and cash Remittances received, by denomination, during that day.

CCD:
Contract Controlled Document (q.v.)

CCN:
Change Control Note (q.v.).

Central Network:
The meaning ascribed to it in paragraph 2.2.4(a) of Schedule N08.

Change Control Note:
A document used in the Change Control Procedure and defined in Schedule A05.

Change Control Procedure:
The procedure for change specified in Schedule A05.

Change Request:
A request to make a change for the purpose of paragraph 3 of Schedule A05.

Charges:
The charges payable by POCL under this Codified Agreement, including Schedule A12.

Client:
An organisation other than a Bank on behalf of which POCL provides a service to Customers at Outlets.

Client Service Type:
A variant of a standard service with detailed aspects of that service customised to meet a specific Client's needs.

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Commercial Director of ICL:
The Director, Commercial and Legal Affairs of ICL or his successor from time to time.

commit:
In relation to a Transaction, to execute a Transaction Committal for that Transaction. Related terms shall be construed accordingly.

Compliant Outlet:
An Outlet which allows sufficient operational space for the Horizon equipment to be installed and sufficient space for other Post Office equipment and transactions to be carried out. The space requirements for the Horizon equipment are given in Site Survey Requirements (IM/REQ/005). The minimum dimensions for a Counter Position are detailed by POCL in their documents for refurbished offices and ISIS controlled schemes. Layouts agreed by POCL shall be shown on any drawings presented in support of compliance, indicating which layout has been used and at which Counter Position.

A dedicated live electrical circuit (or circuits) shall be provided at the Post Office Outlet distribution board. The circuit(s) shall meet in force electrical regulations and the documented requirements of the Horizon system.

Composite Product:
A method of handling cash or Value Stock in which a number of POCL Product lines are combined for handling.

Confidential Information:
All information (other than Escher Confidential Information defined in Schedule B11) designated as such by either party hereto in writing together with the existence and terms of this Codified Agreement, the negotiations relating thereto and all other information (whether in writing or not) which relates to the business, affairs, Products, developments, trade secrets, know-how, personnel, customers and suppliers of either party or information which may reasonably be regarded as the confidential information of the disclosing party.

Confirmation:
A confirmation message written to record the outcome of a Banking Transaction.

Contingency Services:
The contingency services specified in Schedules E9, F9, G11, H9, K9 and N9 of this Codified Agreement, to be performed pursuant to Clause 410 of this Codified Agreement.

Contract Administration Board:
The body referred to as such in the Management Table in the Annex to Schedule A04.

Contract Controlled Document:
A document which: a) is listed as a CCD in the CCD entitled *"Contract Controlled and Referenced Document List"* (reference SUP/CON/001; ICL Pathway reference BP/SPE/026); and b) is referred to (such reference being to that document itself or by reference to a class or group of documents which includes that document) in this Codified Agreement or in a CCD; and c) may only be amended through the Change Control Procedure.

Contract Referenced Document:
A document which: a) is listed as a CRD in the CCD entitled *"Contract Controlled and Referenced Document List"* (reference SUP/CON/001; ICL Pathway reference BP/SPE/026); and b) is referred to in this Codified Agreement; and c) may be amended other than through the Change Control Procedure.

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Contracted Transaction Time:
The time set out in this Codified Agreement against which a Transaction is measured for determining performance against Service Levels.

Contracted Volume:
Each of the levels defined as a Contracted Volume in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)* applicable to components of the POCL Service Infrastructure as specified in that CCD.

Contractor Consumables:
The consumables which are required for the performance of the POCL Services by the Contractor, other than consumables so used on the POCL Premises.

Contractor's Representative:
The person so notified to POCL by the Contractor.

Contractor's Software:
The software identified as such in Schedule B01.

Core Hours:
0800 to 1730 Monday to Friday (inclusive), and 0800 to 1300 Saturday, excluding English bank holidays.

Core System:
Such of the Core System Services as are to be provided during the currency of the Core System Release in accordance with Clauses 201.3 and 201.6.

Core System Plus:
Such of the Core System Services as are to be provided during the currency of CSR+ in accordance with Clauses 201.3 and 201.6.

Core System Products:
The Products to be supplied pursuant to Clause 205 of this Codified Agreement.

Core System Release:
The Release defined in the CCD entitled *"ICL Pathway Core System Release Contents Description"*.

Core System Services:
The POCL Services to be supplied pursuant to Clause 201 of this Codified Agreement.

Counter Clerk:
Any person who serves Customers at a Counter Position in a post office.

Counter Equipment:
The PC's, printers, screens, local area network and other equipment installed by the Contractor in post offices for the provision of the POCL Services.

Counter Position:
A serving position in a post office, where a Customer transacts business with a Counter Clerk.

CRD:
Contract Referenced Document (q.v.)

CS Completion Date:
The date by which Roll Out of the Core System shall have been completed to 99 per cent. of all

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Outlets scheduled to be installed under Part A of the Roll Out Programme, as amended from time to time through the Change Control Procedure.

CSR:
Core System Release (q.v.)

CSR Acceptance:
The meaning ascribed thereto in paragraph 1 of Schedule A11.

CSR Acceptance Specifications, CSR Acceptance Tests, CSR Core Observation Period and CSR Operational Trial Review Period:
The meanings respectively ascribed to them in Schedule A11.

CSR+:
The Release defined in the CCD entitled *"ICL Pathway Core System Release Plus Contents Description"* as amended and/or supplemented by and in accordance with the CCDs entitled *"Supplement to Addendum B of the ICL Pathway Core System Release Plus Contents Description"* and *"PINICL Resolution Status for Release Authorisation Board for CSR+"*.

Customer:
A person transacting, or seeking to transact, business with POCL through any of the Services.

Customer Session:
A set of contiguous Transactions recording business transacted by a single Customer.

Customer Verification:
The process by which the association of a Customer with a NB Token is to be checked, as described in paragraph 5.8.2 of Schedule N01.

D Messages:
A message transmitted by the NBE to the DRSH when the amount included in settlement of a Banking Transaction differs between the Bank and the Counter Position.

Data Centre:
Either or both (as the context requires) of the central computer systems comprising Hardware, Software and local networks used by the Contractor in the provision of the POCL Services.

Data Controller:
POCL or any Bank, Client or other third party who is the Data Controller (within the meaning ascribed to that expression in the Data Protection Act 1998) of any Personal Data which are or are intended to be (on the date that the parties enter into the CCN which introduces the NBS) processed by the Contractor under the applicable provisions of this Codified Agreement.

Data File:
A set of electronic data, contained within a single file and held or used within, or transmitted over, any of the POCL Services provided by the Contractor.

Data Processor:
The meaning ascribed thereto in the Data Protection Act 1998.

Data Reconciliation Service:
The service to be provided by the Contractor (described in paragraph 8 of Schedule N01 and forming part of the NBS) which matches Banking Transaction data from automated Counter Positions to NBE data and reports to POCL accordingly.

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Data Reconciliation Service Host:
The server in a Data Centre used for processing and storing Banking Transaction data for reconciliation and retrieval purposes.

Data Warehouse:
The data warehouse used by the Contractor to provide management information to POCL in connection with the Existing Services and the NBS.

Decline:
A refusal by the NB System or Counter Clerk to proceed with a Banking Transaction after a Request is generated or an instruction contained in an Authorisation to refuse a Banking Transaction received via the NBE. "Declined" and "Declining" shall be construed accordingly.

Default:
Any breach of the obligations of either party (including but not limited to fundamental breach or breach of a fundamental term) or any default, act, omission, negligence or statement of either party, its employees, agents or sub-contractors in connection with or in relation to the subject matter of this Codified Agreement and in respect of which such party is liable to the other.

Deliverable:
An item which the Contractor is required to provide under the terms of this Codified Agreement, including without limitation Products.

Deposited Software:
All software designated as such in Schedule B01.

Development Services:
The development services to be performed by the Contractor pursuant to Clause 403 of this Codified Agreement.

Dialled Connection:
A network connection to an Outlet to be established for the purposes of transferring data between that Outlet and a Data Centre and disconnected once that data transfer is complete, including such connections established via satellite.

Direct Interface Test:
A test carried out to confirm compliance with an Application Interface Specification.

Disputed Banking Transaction Notice:
Within Period One (as defined in paragraph 7.3.1 of Schedule N01), notification (and the provision of related information) of a Banking Transaction which requires investigation to the Contractor's management support unit (MSU) in accordance with the procedure set out in the CCD entitled *"Network Banking Reconciliation and Incident Management" (NB/PRO/002)* for raising a DBTN (as referred to in that CCD) via the enquiry service;

Dispute Resolution Procedure:
The procedure set out in Clause 807 of this Codified Agreement.

Distribution Centre:
Sites from which cash, Value Stock and other items (other than data) are distributed to Outlets.

DIT:
Direct Interface Test

DNS:
Department for National Savings.

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Documentation:
The documents listed in Schedule B03.

DRS:
Data Reconciliation Service.

DRSH:
Data Reconciliation Service Host.

DSS:
The Secretary of State for Social Security, acting through and on behalf of the Department of Social Security and on behalf of the Department of Health and Social Security for Northern Ireland.

DSS Agreement:
The agreement between DSS and the Contractor dated 15th May, 1996 as referred to in Recital (b) to this Codified Agreement.

DVLA:
Driver and Vehicle Licensing Agency.

ECCO+:
A POCL EPOS system installed in some Outlets.

EFT:
Electronic funds transfer.

EFTPOS:
Electronic Funds Transfer at Point of Sale: a term used to describe the debiting of Customers' accounts, usually through EPOS systems, for goods or services they purchase.

End to End Banking:
The end-to-end systems and services (of which (without limitation) the NBS, the NB System, the NBE, LINK (for so long as POCL continue to use LINK) and Bank systems form part) required to deliver network banking to Customers.

End User:
Any employee of the Post Office Group and any Agent or employee thereof.

EPOS:
Electronic Point of Sale: a term used to describe the systems typically used in retail shops and stores, at the point of customer service, for recording sales transactions.

EPOSS:
The EPOS Service supplied by the Contractor pursuant to Clause 405.2 of this Codified Agreement.

Equipment:
Any physical hardware (excluding Paypoles and including, without limitation, supply cords, interface cables and cords, User-installable components and peripherals) forming part of the POCL Service Infrastructure, or supplied under this Codified Agreement as an Optional Product or an Additional Product.

ESNCS:
The Electronic Stop Notice Computer System of DSS.

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Event:
A recorded and auditable instance of business administration activity, such as the registration of a new User, or the production of a Report.

Existing Services:
EPOSS, APS, LFS, the POCL Infrastructure Services and OBCS as developed and in operation pursuant to this Codified Agreement, prior to both parties' signature to the CCN ~~[NB CCN]~~ 350 ~~N02~~ introducing the NBS.

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Failed Acceptance:
The failure to meet the thresholds referred to in paragraph 2.2 of Schedule A11 by the end of the relevant CSR Core Observation Period or deemed failure under paragraph 3.4 of Schedule A11.

Final Deadline for CSR Acceptance:
The date specified as such in Schedule B09.

Financial Transactions
A Banking Transaction involving a deposit or withdrawal of monies.

Fixed Connection:
A network connection to an Outlet which is intended to be established and held open between times agreed by the parties.

Framework:
The Software referred to as such and identified in Schedule B01.

FRIACO:
Flat rate internet access call origination.

FRIACO Port:
A network connection to the FRIACO service for one Outlet at a time.

Full E2E Testing Stage:
The meaning ascribed to it in paragraph 1.4 of Annex 1 to Schedule N02.

Governmental Regulation:
Any United Kingdom primary legislation and any United Kingdom secondary legislation.

Guarantor:
Either of Fujitsu Services Holdings Plc (formerly ICL Plc) or Fujitsu Limited.

HAPS
The Host Automated Payments System operated by POCL.

Hardware:
Any hardware (excluding Paypoles) used by the Contractor to provide POCL Services under this Codified Agreement including hardware supplied as a Core System Product or as an Optional Product or Additional Product.

HCI:
Human Computer Interface (q.v.).

Head Office Counter Position:
A single position gateway configuration or a multi-position gateway configuration to be installed in POCL office premises that are not Outlets. Save as may be agreed by change control, the use of configurations as Head Office Counter Positions shall not require the

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Contractor to undertake any additional software development, testing or support, or any site modification or preparation beyond standard site preparation. The Head Office Counter Positions shall when installed count as Outlets to which Roll Out had occurred for the purposes of the Outlet cost element adjustment in paragraph 5.9 of Schedule A12.

Help Desk:
Save as expressly provided otherwise, the initial point of call for Users in need of support relating to the POCL Services.

Helpdesk:
Help Desk (q.v.).

High Severity

The meaning ascribed to it in paragraph 4.4.2 of Schedule N02 in respect of NBS Acceptance Incidents and NBS Progress Incidents.

Horizon System Help Desk:
See Help Desk.

HMG:
Her (or His) Majesty's Government.

HSM:
The hardware security module in which PINs are translated prior to transmission of encrypted data from the POCL Service Infrastructure to the NBE.

Human Computer Interface:
The presentation of computer systems to the User.

IIN:
Issuer Identification Number.

Implementation Services:
The implementation services to be supplied by the Contractor pursuant to Clause 404 of this Codified Agreement.

IMS:
The inventory management system used by POCL.

Incident:
Any perceived abnormal or undesirable occurrence relating to a POCL Service.

Incident Resolution:
The agreed closure of an Incident which may include the re-establishment of a POCL Service following an Incident or, where the Incident was found not to be an abnormal or undesirable occurrence, clarification of the incorrect perception.

Incident Resolution Time:
The time elapsed between the logging of an Incident by the Help Desk, and the Incident Resolution.

Initial Period:
The period commencing on the date of signature of the NBS CCN and expiring 6 calendar months after the beginning of the earlier of:

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(a) the first calendar month in which two million Banking Transactions are undertaken using the NBS; and

(b) the calendar month in which the cumulative number of Banking Transactions undertaken using the NBS exceeds five million.

Intellectual Property Rights:
Patents, trade marks, service marks, design rights (whether registrable or otherwise), applications for any of the foregoing, moral rights, copyright, trade or business names and other similar rights or obligations whether registrable or not in any country (including but not limited to the United Kingdom).

Internal Code:
Machine readable software (including PIN Pad firmware) supplied as an integral part of the Hardware and not listed herein.

IPR:
Intellectual Property Rights (q.v.).

ISDN Agreements:
The agreements to be transferred by POCL to the Contractor pursuant to Clause 401.3 of this Codified Agreement.

Issuer Identification Number:
The identification number ascribed to an issuer of a magnetic card or similar token by APACS.

IT:
Information Technology.

JCCB:
Joint Change Control Board (q.v.).

Joint Change Control Board:
The body referred to as such in the Management Table in the Annex to Schedule A04.

Joint National Roll Out Board

The joint project board that oversaw National Roll Out and held its last meeting on 14th May 2001

LAN:
Local Area Network.

LFS:
Logistics Feeder Service.

LINK:
The branded and shared network of cash machines and self-service terminals of certain member banks and building societies in the UK, which enables services from one member bank or building society to be available at cash machines of all member banks and building societies, to be construed for the purposes of this Codified Agreement as a single system.

Logistics Feeder Service:
The logistics feeder service supplied by the Contractor pursuant to Clause 405.5 of this Codified Agreement.

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Low Severity:
The meaning ascribed to it in paragraph 4.4.2 of Schedule N02 in respect of NBS Acceptance Incidents and NBS Progress Incidents.

Luhn:
The check digit formula which is part of the APACS standard.

M25 Rollout:
Roll Out of a POCL Service to Outlets in the area within the M25 motorway which currently use ALPS.

MAAWP:
Maximum Authorisation Agent Wait Period

MAC:
The meaning ascribed to it in paragraph 10.6.4(b) of Schedule N01.

MAC Key:
The meaning ascribed to it in paragraph 10.6.4(b) of Schedule N01.

Management Services:
The management services to be supplied by the Contractor pursuant to Clause 602 of this Codified Agreement.

Managing Director of POCL:
The Group Managing Director of the Post Office from time to time responsible for the businesses currently carried on by POCL (currently Mr. Stuart Sweetman).

Maximum Authorisation Agent Wait Period:
The period the Authorisation Agent shall wait for a corresponding Authorisation after generating a Request (for transfer to the NBE) before itself generating an Authorisation signifying a Decline (due to system time-out) to be sent to the relevant automated Counter Position.

Maximum Counter Wait Period:
The period that an automated Counter Position shall wait for a corresponding Authorisation after generating a Request before itself Declining that Banking Transaction due to system time-out.

MCWP:
Maximum Counter Wait Period.

Medium Severity:
The meaning ascribed to it in paragraph 4.4.2 of Schedule N02 in respect of NBS Acceptance Incidents and NBS Progress Incidents.

Merchant Acquirer:
A company providing facilities to handle EFTPOS on line authorisations and signed vouchers, linking as necessary with Outlets and banks etc.

Message:
A set of electronic data for transportation from one computer system to another.

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Method of Payment:
The form of payment recorded against a Transaction involving a Customer.

Migration Specification:
The CCD entitled *"Provision of In-Office Migration Services"*.

Minimum Acceptable Threshold:
In respect of a Service Level, the agreed minimum level of Service that the Contractor must provide as stated in the relevant Service Level Schedule.

MIS:
Management Information Systems.

MSU Day:
0800 to 1730, Monday to Friday (inclusive), excluding English bank holidays.

NAO:
National Audit Office.

National Roll Out:
Roll Out of the Core System to all Outlets scheduled to be installed under the Roll Out Programme (as amended from time to time through the Change Control Procedure).

NB Acceptance Date

The date that NBS Acceptance occurs in accordance with paragraph 3.1 of Schedule N02.

NB Counter Application:
The application software that contains the business logic controlling the dialogue with Users of the NBS.

NB Event:
The meaning ascribed to it in paragraph 18.2.1 of Schedule A12.

NB Go Live:
The point at which, following deployment of the NBS software in each Outlet, the NBS is initiated for live operational use in all Outlets through release of the required Reference Data.

NB Monthly Operating Fee:
The total Charge due each month (net of any applicable discount) for NBS operating services and operating the PIN Pad Implementation Service, as set out in Annex 6 to Schedule A12.

NB Pilot (Soft Launch):
The meaning ascribed to it in paragraph 1.8 of Annex 1 to Schedule N02.

NB/PIN Pad Services:
The NBS and the PIN Pad Implementation Service together, but not either of them separately.

NB PPD:
The PPD for the NBS defined in paragraph 5.4.1 of Schedule N01.

NB Project Plan:
The plan for the development and implementation of the NBS described in paragraph 1 of Schedule N04.

NB Receipt:
A paper receipt issued during a Banking Transaction either as a record of that Banking Transaction or as part of the process of carrying out that Banking Transaction.

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NB System:
The elements of the POCL Service Infrastructure, including WebRiposte and the NB Counter Application which are to be developed, modified and/or used pursuant to Clause 413 to support operational use of the NBS.

NB Token:
A Token supported by the NBS, as described in paragraph 5.1.1 of Schedule N01.

NB Token Validation:
The process by which the validity of a NB Token presented by a Customer to a Counter Clerk is to be checked, as described in paragraph 5.8.1 of Schedule N01.

NBE:
Network Banking Engine.

NBE Network:
The meaning ascribed to it in paragraph 2.2.4(b) of Schedule N08.

NBS:
Network Banking Service.

NBS Acceptance:

Acceptance of the NBS in accordance with paragraph 3.1 of Schedule N02.

NBS Acceptance Criteria:
The criteria for acceptance of the NBS and the PIN Pads set out in the CCD entitled *"NBS Acceptance Criteria"*.

NBS Acceptance Incident:
Any incident within the following categories:

(a) a failure to meet NBS Acceptance Criteria;

(b) a failure of the Existing Services to be performed in accordance with the applicable provisions of this Codified Agreement;

(c) a lack of capability to achieve Service Levels; or

(d) the occurrence of certain functions, activities or behaviour in conflict with the Codified Agreement.

each as specified in paragraph 4 of Schedule N02, which occurs as a result of the introduction of the NBS.

NBS Acceptance Procedure:
The procedure described in Schedule N02 for acceptance of the NBS.

NBS Default:
A Default by the Contractor exclusively in relation to the NB/PIN Pad Services, the NBS or the PIN Pad Implementation Service.

NBS Deployment:
The download of the NBS software to an Outlet in readiness for NB Go Live.

NBS Stage Progression:
The progression from:

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(a) the NBS Testing Stage to the Full E2E Testing Stage; or

(b) the Full E2E Testing Stage to the NB Pilot (Soft Launch) phase,

as applicable, in accordance with Schedule N02.

NBS Termination Charge:
The NBS and PIN Pad Implementation Service termination charge calculated in accordance with paragraph 3 of Schedule N06 of this Codified Agreement.

NBS Testing Stage:

The meaning ascribed to it in paragraph 1.1 of Annex 1 to Schedule N02.

NBS Tests:

The tests described in paragraph 3.1 of Annex 1 to Schedule N02.

NBS Transfer Payment:
The sum payable pursuant to Clause 903 or Clause 905 of this Codified Agreement as defined in paragraph 4.3 of Schedule N06.

NBSC:
The network business support centre operated by POCL

NCC:
The National Computing Centre Ltd., Manchester.

Network Banking CCNs:
CCN817, CCN865a, CCN907, CCN909a, CCN914a, CCN928b, CCN932, CCN934, CCN933, CCN936b, CCN947, CCN959,CCN967, CCN970a, CCN971 and CCN976a.

Network Banking Engine:
A central third party computer system (contracted for by POCL) which constitutes the middle tier of End to End Banking and which, inter alia, connects the Data Centres to LINK and certain Bank computer systems.

Network Banking Service:
The obligations of the Contractor pursuant to Clause 413 of this Codified Agreement.

Network Banking Transfer Service:
The service as set out in Schedule N06.

New Requirements Board:
The body referred to as such in the Management Table in the Annex to Schedule A04.

NINO:
A National Insurance Number issued to any natural person.

Non-value Stock:
Stock which has no intrinsic value but for which records are maintained of the levels on hand.

NR Completion Date:
The date by which Roll Out of the Core System shall have been completed to 99 per cent. of all Outlets scheduled to be installed under the Roll Out Programme (as amended from time to time through the Change Control Procedure).

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N Schedules:
Schedules N01, N02, N03, N04, N05, N06, N08 and N09.

OBCS:
Order Book Control Service (q.v.).

OBCS Stop Lists:
A list of order books on which action needs to be taken.

Operational Business Change:
As the context requires, the services set out or referred to in the Operational Business Change Catalogue or the services set out in the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058).*

Operational Business Change Catalogue:
The CCD entitled *"Operational Business Change Catalogue"* which sets out processes and prices for operational changes at Outlets.

Operational Services:
The POCL Infrastructure Services, the Automated Payment Service, EPOSS, the Contingency Services, OBCS, LFS and any other relevant Optional POCL Services.

Operational Trial:
The operational trial of the Core System to be performed pursuant to Clause 402 of this Codified Agreement.

Operational Trial Criteria:
The acceptance criteria for the Operational Trial, as set out in Schedule L3 of this Codified Agreement.

Operational Trial Period:
The period for performance of the Operational Trial Procedure, ending on the Operational Trial Acceptance Date.

Operational Trial Procedure:
The Acceptance Test procedure for the Operational Trial System, as described in Schedule A11 of this Codified Agreement.

Operational Trial System:
The trial system to be delivered for testing under the Operational Trial Procedure, as described in Schedule L1 of this Codified Agreement, to enable the functionality and performance of the POCL Service Infrastructure and the Core System to be tested.

OPS:
The Office Platform Service described in Schedule G1 of this Codified Agreement and supplied by the Contractor pursuant to Clause 405.3 of this Codified Agreement.

Optional POCL Service:
Any POCL Service to be supplied pursuant to Clause 202 of this Codified Agreement.

Optional Products:
Any Products to be supplied pursuant to Clause 206 of this Codified Agreement.

Order Book Control Service:
The order book control service supplied by the Contractor pursuant to Clause 405.4.

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Other Authorised Location:
A site, other than an Outlet, where it may be necessary to install and use elements of the POCL Service Infrastructure, e.g. training sites, county shows, and exhibitions.

Other Stock:
All Stock other than Retail Stock, Security Stock and Value Stock, including leaflets, forms and various general consumables and supplies.

Out of Hours Support:
Support provided outside POCL Core Day.

Outlet:
A post office or any other location where POCL (whether directly or by means of Agents) transacts business with Customers.

Outlet Balance:
The aggregate balance across all the Stock Units in an Outlet.

Outlet Manager:
The person who has the necessary authority within Outlets through whom arrangements for installation and implementation of the POCL Service Infrastructure and POCL Services at each Outlet can be made.

PAN:
The primary account number (part of the IIN) associated with a NB Token.

Parent Company:
Any holding company (as defined in Section 736 of the Companies Act 1985).

Parent Outlets:
Larger Outlets which perform the accounting work for Satellite Outlets.

Paypole:
The meaning ascribed to it in paragraph 1 of Schedule G12.

person:
Includes a partnership, a corporation or association (whether incorporated or unincorporated), as well as a natural person.

Personal Data:
All data which are defined as personal data in the Data Protection Act 1998 and processed by the Contractor under this Codified Agreement.

PIN:
Personal Identification Number.

PIN Pad:
A device used by a Customer to enter a PIN for the purposes of Customer Verification.

PIN Pad Deployment:
Deployment of PIN Pads in accordance with Schedule G12.

PIN Pad Implementation Service:
The obligations of the Contractor pursuant to Clause 415 of this Codified Agreement.

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PIVOT:
The existing POCL MIS system which provides, inter alia, reports of numbers of transactions by Outlet.

POCL:
Post Office Counters Ltd. or such other subsidiary of the Post Office as may be nominated from time to time to take over the rights and obligations of Post Office Counters Ltd. under this Codified Agreement.

POCL Agreement:
The agreement between POCL and the Contractor dated 15th May, 1996 as referred to in Recital (b) to this Codified Agreement.

POCL Application Services:
The Automated Payment Service and OBCS.

POCL Automated Payments Generic Rules:
A document describing generic rules for APS.

POCL Client Services:
The services to be performed by the Contractor pursuant to Clause 203 of this Codified Agreement.

POCL Consumables:
The consumables to be supplied pursuant to Clause 208 of this Codified Agreement, as listed in Schedule B04 of this Codified Agreement.

POCL Core Day:
08:00 to 20:00 Monday to Saturday inclusive, excluding bank holidays.

POCL Data:
Means all data, information, text, drawings, diagrams, images (including, but not limited to logos), or sounds which are embodied in any electronic or tangible medium, and which are supplied or in respect of which access is granted to the Contractor by POCL pursuant to this Codified Agreement, or which the Contractor is required to generate for POCL under this Codified Agreement, but excludes the Service Architecture Design Document and Documentation.

POCL Infrastructure Services:
The POCL Infrastructure Services to be performed by the Contractor pursuant to Clause 405.3 of this Codified Agreement.

POCL Interface:
An interface between a Service or Services and a POCL system or systems.

POCL Outlet Accounting Period:
The shortest normal accounting period applying within an Outlet, normally a week and running Thursday through Wednesday, but subject to variation at financial year end and to revision. It may be merged by agreement in individual Outlets, e.g. to enable sub-postmaster holidays.

POCL Premises:
All post offices, sub-post offices, and other premises of POCL from time to time.

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POCL Product:
An item, provided by POCL, for sale from Stock - or characterising a service provided - in an Outlet.

POCL RDS:
RDS.

POCL Reference Data System:
The POCL-run system that maintains the POCL-originated Reference Data for the POCL Services.

POCL Responsibilities:
The responsibilities of POCL set out or referred to in Schedules A16, E3, F3 G5, H3, K3, G12, and the N Schedules of this Codified Agreement.

POCL's Agent:
Any person(s) or organisation(s) authorised to act on behalf of POCL.

POCL's Representative:
The person so notified to the Contractor by POCL.

POCL Service Architecture:
The architecture of the Operational Services, the POCL Service Infrastructure and the POCL Service Environment.

POCL Service Environment:
POCL's computer, telecommunication and business operating systems and services, as described in Schedule 1 of this Codified Agreement, that are to be integrated with the POCL Service Infrastructure and the Operational Services to form the POCL Service Architecture.

POCL Service Infrastructure:
The Hardware and the Software and all other electronic, computer and telecommunications equipment (excluding Paypoles) which form the infrastructure to be utilised by the Contractor for the provision of the POCL Services, but does not include the POCL Service Environment.

POCL Services, or Services:
The Core System Services, the Network Banking Service, Optional POCL Services, POCL Client Services, Additional POCL Services, PIN Pad Implementation Service and all other obligations of the Contractor under this Codified Agreement.

POCL Transferred Assets:
The assets to be transferred by POCL to the Contractor pursuant to Clause 401 of this Codified Agreement, as listed in Schedule A09 of this Codified Agreement.

PON:
Post Office Network (q.v.)

Posting Date:
Settlement Date.

Postmaster's Daily Record (PDR):
Report forms used to summarise Girobank Transactions that are sent to the Client. There are currently forms for deposits and withdrawals in manual and automated offices, and a mixed (cash / cheque) deposit version in ECCO+ offices only.

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Post Office
The statutory corporation so named and formed under the Post Office Act 1969.

Post Office Group:
The Post Office and its subsidiary companies.

Post Office Network:
Where the term Post Office Network is used in documents it refers to a business unit within POCL and, for the purposes of those documents only, shall have the same meaning as POCL.

PostShop:
A separate retail unit within a post office operated directly by POCL.

PPDs:
The related set of Processes and Procedures Documents as described in the "Introduction Processes and Procedures Description" document for the appropriate Release.

Priority Exception:
A Banking Transaction for which:

(a) no Disputed Banking Transaction Notice has been received by the Contractor and which persists in system state category number 4 or 12 as set out in the CCD entitled *"Network Banking End to End Reconciliation Reporting" (CS/SPE/011)* on the second MSU Day following the day of receipt by the DRSH of the corresponding C4 Confirmation or D Message (as applicable); or

(b) a Disputed Banking Transaction Notice has been received by the Contractor and which is within or subsequently falls within the system state category number 4 or 12 as set out in the CCD entitled *"Network Banking End to End Reconciliation Reporting" (CS/SPE/01).*

Products:
Any products to be supplied under this Codified Agreement, excluding Paypoles and including, where appropriate, the Core System Products and any Optional Products and Additional Products and any POCL Consumables.

Project Assets:
The assets referred to as such in Clause 903.1.

Project Plan:
The plan for the implementation of the POCL Service Infrastructure and the Operational Services as set out in Schedule B09 and the Roll Out Programme.

Property:
Tangible property (including without limitation buildings and land) but excluding the POCL Service Infrastructure and any part thereof before it has been accepted in accordance with this Codified Agreement.

Proposal:
The Contractor's Proposal, in response to the Statement of Service Requirements. The Proposal has been superseded by the Schedules to this Codified Agreement.

RAB:
Release Authorisation Board (q.v.).

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RAC0C1 Model
The Request, Authorisation and Confirmations model of End to End Banking Transaction flows involving, inter alia, as the particular circumstances may permit, Requests being issued from Counter Positions, Authorisations being issued by the NBE and Confirmations being issued from Counter Positions.

Rate Reduction Date:
The date referred to in paragraph 18.2.2 of Schedule A12 upon which the Contractor's rates for T&M Work may be reduced by 50% pursuant to paragraph 18.3 of Schedule A12.

Rate Shop:
Where a Customer purchases Stock by value rather than by volume, i.e. by a number of items of Stock purchased for a given sum.

RDMC:
The Contractor's Reference Data Management Centre.

RDS:
POCL Reference Data System.

Records:
Full and accurate records relating to the performance of the POCL Services.

Recovery:
The act of re-establishing a Service following a Service Failure.

Reference Data:
A set of parameters and relationships controlling the operation of POCL Services.

Refund:
A repayment of money to a Customer, by means of a Reversal.

Related Agreements:
The Authorities' Agreement, the DSS Agreement and the POCL Agreement, each as referred to in Recital (b) of this Codified Agreement.

Release:
A documented collection of software and/or data provided by the Contractor to deliver a POCL Service or POCL Services.

Release Authorisation Board:
The body referred to as such in the Management Table in the annex to Schedule A04.

Release Contents Description:
A CCD which defines the scope of a Release by reference to the SADD.

Remittance:
A consignment to or from an Outlet of cash, Stock, or other value items to be brought to account.

Report:
A physical document; or, information held electronically in such a way that it can be processed readily to produce a physical document.

Representative:
A representative of POCL or the Contractor as appropriate.

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Request:
A priority request message generated for transmission on-line from an Outlet to a Bank (via the NBE) in order to undertake a Banking Transaction for a Customer.

Retail Price Index:
The "all items" index currently appearing at table 18.1 of the Office of National Statistics publication "Monthly Digest of Statistics" and any subsequent relocation thereof, or the same index in any other Government publication if the aforementioned ceases to be published.

Retail Stock:
Items sold in Outlets through POCL's retail accounting scheme.

Retention Pot:
A fund to which sums which are retained by POCL (from payments due to the Contractor) are to be allocated in accordance with paragraph 18.2.3 of Schedule A12 and released in accordance with paragraph 18.2.4 of Schedule A12.

Reversal:
A Transaction which nullifies a previous Transaction.

Roll Out:
The implementation of the POCL Service Infrastructure and/or a POCL Service (other than the Network Banking Service, PIN Pad Implementation Service and/or PIN Pad Deployment) in Outlets.

Roll-Out, Rollout, roll-out or rollout:
Roll Out (q.v.).

Roll Out Payment:
The sum of £548 million to be paid to the Contractor subject to and in accordance with Part A of Schedule A12 and consisting of the following elements:

£280 million in respect of the right to use the Core System and (if and when approved for release by the Release Authorisation Board) CSR+;

£120 million in respect of the use of hardware (and software associated therewith) during the term of this Agreement;

£80 million in respect of installation, training and modification costs in respect of the POCL Service Infrastructure and POCL Services; and

£68 million in respect of operating and maintenance costs incurred prior to 1 April, 2001.

Roll Out Programme
The programme set out in Annex 1 to Schedule A12 (Parts A and B).

RPI:
Retail Price Index (q.v.).

SADD:
Service Architecture Design Document (q.v.).

SAP/ADS:
SAPADS (q.v.).

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SAPADS:
SAP Advanced Distribution System.

Satellite Outlet:
An Outlet which handles insufficient Transactions to justify production of a separate Cash Account.

Security Stock:
Stock products which have no cash account value until sold, any item the loss of which would result in loss to POCL.

Sensitive Data:
The meaning ascribed to it in paragraph 10.6.2(a) of Schedule N01.

Service Architecture Design Document:
The document showing the POCL Service Architecture developed pursuant to Clause 403.7, as amended from time to time to reflect Optional and Additional Products and POCL Services supplied and performed under this Codified Agreement.

Service Boundary:
The interface or interfaces at which responsibility for processing or otherwise handling Banking Transaction data, Reference Data or Data Files or any other data, message, component or product of the NBS passes, in accordance with the applicable AIS and/or TIS between the Contractor, POCL and/or a third party.

Service Break:
The duration of a Service Failure.

Service Credit:
Payment, discount or credit given by the Contractor to POCL resulting from delay in provision of POCL Services, or from POCL Services' failure to meet the required Service Levels.

Service Definition Schedules:
Schedules E1, F1, G1, H1, K1 and N1 of this Codified Agreement.

Service Failure:
An interruption of a POCL Service that has not been approved by POCL.

Service Level:
A quantified and measurable standard, required for a specified POCL Service.

Service Level Agreement:
See Service Level.

Service Level Measurement Period:
The period over which the Contractor shall report service performance against Service Levels. Each Service Level Measurement Period shall be a period of three months ending on February, May, August and November in each Year, with the final Service Level Measurement Period commencing on 1st March, 2005 and ending on 31st March, 2005.

Service Level Schedules:
Schedules B10, E08, F08, G10, H08, K08 and N08 of this Codified Agreement.

Service Management Report:
The Working Document (known to the parties as the "service review book") used by the

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Contractor to report performance of the POCL Services against Service Levels and associated volumes, the format of which is agreed by the parties at meetings of the Service Review Board.

Service Manager:
The person appointed by the Contractor to manage the provision of a POCL Service.

Service Ready-for-use Date:
The date on which a POCL Service, which has achieved Acceptance, is first made available by the Contractor for use by Users.

Service Review Board
The body referred to as such in the Management Table in the Annex to Schedule A04.

Service Review Meeting:
A meeting of the Service Review Board.

Service RFU Date:
Service Ready-for-use Date (q.v.).

Services:
POCL Services.

Session Mobility:
A facility which allows a User logged on at an automated Counter Position workstation to log on to another such workstation, thereby transferring his User session and automatically logging the User out of the first workstation.

Settlement Date:
The date on which a Banking Transaction is committed for settlement by a Bank or, in the absence of such a date being set by that Bank, the default posting date set by the NBE.

Severity Code:
A code assigned to an Incident by the Help Desk, indicating the seriousness of the Incident's effect, and used to determine priority for resolution.

Silver 24 Hour Service Outlet:
An Outlet that seeks to use a Fixed Connection 24 hours per day, 7 days per week.

Silver Daytime Service Outlet:
An Outlet that seeks to use a:

(i) Fixed Connection in the periods 08:00 to 17:30 Monday to Friday and 08:00 to 13:00 Saturday; and

(ii) Dialled Connection outside those periods.

Silver Part Time Service Outlet:
An Outlet which seeks to use a:

(i) Fixed Connection in the periods 08:30 to 10:30 Monday, 08:30 to 09:30 Tuesday and 08:30 to 09:30 Thursday; or

(ii) Fixed Connection from 08:30 to 12:30 Saturday; and (in both cases)

(iii) Dialled Connection outside those periods.

SLA:
Service Level Agreement (q.v.).

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Smart Key:
A type of Token (as defined in relation to the Automated Payment Service) which uses on-board integrated circuit technology.

Smart Token:
A type of Token (as defined in relation to the Automated Payment Service) which uses on-board integrated circuit technology.

SMS:
System Management Service (q.v.).

Software:
The Contractor's Software, the Specially Written Software, Internal Code, the Third Party Software and any other software provided under this Codified Agreement.

Source Code:
Software in eye-readable form and in such form that it can be compiled or interpreted into equivalent object code together with all technical information and documentation necessary for the use, reproduction, modification and enhancement of such software.

Specially Written Software:
Any software identified as such in Schedule B01 of this Codified Agreement and written by or on behalf of the Contractor for POCL and supplied by the Contractor hereunder pursuant to Clause 204 of this Codified Agreement or as an Optional Product or Additional Product.

SPM:
Simple Payment Module.

Stock:
Items held in Outlets and classified as Retail Stock, Security Stock, Value Stock, and Other Stock.

Stock Item:
A unit of Stock which can be ordered separately.

Stock Unit:
An individual unit of accountability, mandatory within a main (branch) post office and optional within a sub post office, for which an individual (or a group of individuals) is accountable. It may contain: (i) Transaction Vouchers for a designated period, (ii) Value Stock, and/or (iii) cash.

sub-contractor:
A person to whom any obligations of the Contractor expressly specified in this Codified Agreement are delegated in accordance with the provisions of this Codified Agreement but shall not (for the avoidance of doubt) include any supplier of products or services which are not expressly specified as obligations of the Contractor under this Codified Agreement and related expressions shall be construed accordingly.

subsidiary company:
The meaning ascribed thereto in Section 736 of the Companies Act 1985.

Suspense Account:
In Outlet terms, the value of Transactions that are accounted for in the unclaimed payments or uncharged receipts tables of the Cash Account. These items will subsequently be cleared by posting to an appropriate line of the Cash Account or by local settlement.

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System Management Service:
The System Management Service provided by the Contractor as part of the POCL Infrastructure Services pursuant to Clause 405.3 of this Codified Agreement.

T&M Budget:
The Contractor's estimate of the resource and time required to complete (as the context requires) a T&M Work task at Level 2 or Level 3 in the NB Project Plan or a group of such tasks taken together, from which the budgeted amounts and hours for each such task, or tasks taken together may be derived.

T&M Work:
The work of designing, developing and testing the NBS (including, without limitation, the work, if any, of closing down Cancelled Tasks in accordance with Schedule N04) which is to be charged for by the Contractor on a time and materials basis in accordance with paragraph 18.1 of Schedule A12.

Target Date:
The meaning ascribed to it in paragraph 18.2.2 of Schedule A12.

Team Work:
A method of working in which Users share a Stock Unit or Tills within a Stock Unit, either at the same time or in sequence. The team then becomes accountable for the Stock Unit or Till.

Technical Interface Specification:
A CCD describing the technical detail of an interface.

termination:
Termination of this Codified Agreement includes its expiry or early termination of in accordance with the provisions hereof, and related expressions shall be construed accordingly.

Termination Charge:
The termination charge calculated in accordance with Schedule A07 of this Codified Agreement.

Termination Review Threshold:
For a POCL Service, is the Service Level stated in the relevant Service Level Schedule below which POCL's operations are seriously compromised, so that POCL shall have the right to terminate this Codified Agreement.

Third Party Software:
Any software identified as such in Schedule B01 of this Codified Agreement.

Third Party Software Owner:
The ultimate licensor of any Third Party Software.

Till:
A part or whole of a Stock Unit depending upon whether or not that Stock Unit is the sole charge of one individual or is shared between several.

TIP:
The Transaction Information Processing system developed and operated by POCL.

TIP Gateway:
The Contractor's PC on POCL premises used for transmission of Transaction data to TIP.

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TIS:
Technical Interface Specification (q.v.).

TMS:
The Transaction Management Service provided by the Contractor as part of the POCL Infrastructure Services pursuant to Clause 405.3 of this Codified Agreement.

TMS Agent:
Part of the POCL Service Infrastructure that accesses TMS held data.

Token:
A magnetic stripe card, smart card, smart key, or other physical device, bearing information about a Customer.

Token Technology Specification:
A document specifying the technology used by a particular APS Token.

TPS Agent:
The software application installed in each Data Centre for processing EPOSS Transaction data including C1 Confirmations.

TPS Host:
The server in each Data Centre used for processing and storing EPOSS Transaction data.

Transaction:
A recorded and auditable instance of business activity, involving service provision or Stock movement across organisational or service boundaries.

Transaction Committal:
The point at which a Transaction is irreversibly recorded in the audit trail.

Transaction Identification (Id):
A means of uniquely identifying a Transaction.

Transaction Session:
A set of contiguous Transactions of the same type.

Transaction Voucher:
A document used by POCL as evidence of a Transaction; including as an example, and without limitation, a telephone bill.

Transfer:
(i) In the context of transfer of post office stock or money, the transfer of Value Stock, and/or money, either between Stock Units within an Outlet, or between Outlets; and (ii) in the context of transfer to the Contractor, the transfer to the Contractor pursuant to Clause 401 of this Codified Agreement.

Transfer Date:
The date specified in Schedule A09 of this Codified Agreement.

Transfer Payment:
The sum payable pursuant to Clause 903 of this Codified Agreement, as defined in paragraph 4.3 of Schedule A07.

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Transfer Services:
The services set out in Schedule A07.

Use:
The right of POCL in connection with the POCL Services and for no other purposes to load, execute, store, transmit, display, copy (for the purposes of loading, execution, storage, transmission or display) or otherwise to utilise the Software for purposes of processing POCL Data. To the extent permitted by law, such right of Use shall not include the right to reverse assemble, reverse compile, decode or otherwise translate the Software.

User:
A person authorised by POCL to use a POCL Service.

Value Stock:
Stock products which have a "stock value" shown on the Cash Account.

VAT Receipt:
A receipt for VAT purposes designed as required by HM Customs and Excise.

Void Transaction:
A Transaction which is cancelled before Transaction Committal.

WAN:
Wide Area Network.

WebRiposte:
The Software referred to as such and identified in Schedule B01.

Working Day:
For an individual post office means any day on which that office is open for normal business.

Working Document:
"Working Document" means any document designated as a Working Document and any other document other than the Codified Agreement, Change Control Notes executed by both parties, Contract Controlled Documents and Contract Referenced Documents. Working Documents are without prejudice to any of the parties and nothing contained therein shall be deemed or construed as affecting existing contractual obligations or creating new contractual obligations between any of the parties.

Working Hours:
For an individual post office means the hours during which that office is open for normal business.

Year:
A period of twelve (12) months commencing on 15 May, 1999 and on each anniversary of such date thereafter, or in the event of termination hereof, the period from the immediately preceding such anniversary or (if there has been no such anniversary) the date of execution hereof to the date of termination hereof.

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SCHEDULE A02- POLICIES AND STANDARDS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	Applying CCN323a to 4.1.4a, 4.1.4b, 4.1.4c, 4.4.1, 4.4.2, 5.2.1, 5.2.2	
1.2	Baseline copy of 1.2a	30 November 1999
1.3a	Applying CCN549 to 4.3.1(a) and reformatted to standard template	
1.3	Baseline copy of 1.3a	30 March 2000
4.0a	New Schedule to introduce Network Banking Service	20/6/02
4.0	To introduce Network Banking Service	21/06/02

1. INTRODUCTION

1.1. The policies and standards defined in this Schedule shall apply to all relevant aspects of the POCL Services unless amended in accordance with Schedule A5.

1.2. The Contractor shall not knowingly undertake any activity which would prevent POCL from, or hinder it in, complying with these policies and standards, without the prior written consent of POCL.

2. GENERAL AND HEALTH AND SAFETY STANDARDS

2.1. General

2.1.1. Without limitation to the specific areas identified below, which shall not limit the generality of this paragraph 2.1.1, all POCL Services, and all Equipment, shall comply to the extent required by law with all relevant legislation, including all relevant UK Regulations and, from the due date of UK implementation, EC Directives. The Contractor shall ensure that POCL Services and Equipment are maintained in compliance with any subsequent legislation throughout the term of the Codified Agreement, and shall perform any modifications necessary to ensure such continued compliance, subject to Clause 409 of the Codified Agreement.

2.1.2. The Contractor shall, on request by POCL, establish to POCL's satisfaction the compliance of POCL Services or Equipment with legislation or specified policies and standards. In the event that the Contractor and POCL fail to agree that compliance has been demonstrated satisfactorily, the matter shall be treated in accordance with Clause 807.

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2.1.3. The Contractor shall ensure that, where the installation of Equipment or the delivery of POCL Services involves the alteration or extension of existing building services, such work complies with the standards set out in British Standards and Approved Codes of Practice which are deemed therein to satisfy the relevant regulations, including without limitation the Electricity at Work Regulations, 1989 and Electricity at Work Regulations (NI) 1991 (S.R. 1991 No. 13) and BS 7671:1992, Requirements for Electrical Installation. The provisions of this paragraph 2.1.3 shall not apply in relation to the installation of PIN Pads where that installation is carried out by POCL or a third party on behalf of POCL except where carrying out that installation in accordance with the CCD entitled "*Pin Pad Technical Installation Training Guide*" *(IM/MAN/022)* has directly resulted in non-compliance with those standards.

2.1.4. The Contractor shall give due attention to the effects on the environment of the Equipment used in the provision of OPS during manufacture, installation and use. This includes: [R540 para 1]

(a) use of CFCs;

(b) energy consumption;

(c) recyclability of components;

(d) recyclability of consumables;

(e) waste minimisation;

(f) use of sustainable resources;

(g) disposal of displaced equipment and waste; and/or

(h) making appropriate use of recycled materials.

2.1.5. The Contractor shall adhere to relevant environmental legislation, such as the Environmental Protection Act 1990 and insofar as it relates to Northern Ireland any corresponding Northern Ireland legislation, and to the publication Waste Management: The Duty of Care - A Code of Practice. [R540 para 2]

2.2. Health and Safety

2.2.1. The Contractor shall ensure that any Equipment installed at the POCL Premises does not prevent POCL and POCL's Agents from meeting their legal health and safety responsibilities as employers, including without limitation those defined in:

(a) the Provision and Use of Work Equipment Regulations 1998 and the Provision and Use of Work Equipment Regulations (NI) 1999; and

(b) the Workplace (Health, Safety and Welfare) Regulations 1992 and Workplace (Health, Safety, and Welfare) Regulations (NI) 1993 (S.R. 1993 No. 37).

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Without prejudice to the application of the provisions of this paragraph 2.2.1 to the PIN Pads themselves, the provisions of this paragraph 2.2.1 shall not apply in relation to the installation of PIN Pads where that installation is carried out by POCL or by a third party on behalf of POCL except where carrying outthat installation in accordance with the CCD entitled *"Pin Pad Technical Installation Training Guide" (IM/MAN/022)* has directly resulted in POCL or POCL's Agent's being prevented from meeting such health and safety responsibilities.

2.2.2. The Equipment shall not interfere with the health or safety at work of Users, office staff or others in the vicinity, including but without limitation interference as a result of emission of acoustic noise, vibrations, heat, fumes or other radiation, or as a result of its construction.

2.3. Data Protection Act

Part A of this paragraph 2.3 sets out the parties' rights and obligations in relation to Personal Data for which the Contractor is the Data Processor and POCL or a third party is the Data Controller. Part B of this paragraph 2.3 sets out the parties' rights and obligations if and to the extent that the Contractor is the Data Controller of any Personal Data.

Part A

The Data Controller for particular Personal Data may be either POCL or a third party. Except where the context otherwise requires, if the Data Controller is POCL, all references to the Data Controller in paragraphs 2.3.1 to 2.3.24 inclusive are to be interpreted as references to POCL.

POCL's authority and obligations

2.3.1 For the purposes of processing Personal Data of each Data Controller which appoints POCL as a processor of that data, and prior to commencement of such processing POCL shall:

(a) obtain delegated authority from each Data Controller to appoint the Contractor to process Personal Data of that Data Controller on the terms dealing with such processing set out in this Codified Agreement;

(b) obtain delegated authority from each Data Controller so that the Contractor is entitled to appoint any of the Contractor's subcontractors listed in Schedule A08 to process Personal Data of that Data Controller provided that, to the extent such processing is undertaken by a subcontractor, the subcontract incorporates terms which are equivalent in nature and extent to those dealing with such processing set out in this Codified Agreement and which impose obligations upon that subcontractor at least as onerous as those imposed upon the Contractor under this Codified Agreement; and

(c) ensure that the obligations, responsibilities and duties of the Contractor in this Codified Agreement in respect of Personal Data are not wider or more onerous

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in nature or extent than those which POCL accepts under its own contract with each Data Controller.

The terms referred to in this paragraph 2.3.1 do not include terms related to payment.

2.3.2 Where POCL fails to obtain delegated authority to the full extent referred to in paragraph 2.3.1 of this Schedule A02, subject to paragraph 2.3.4 of this Schedule A02, the parties agree to co-operate with each other and to execute such other additional agreements between them and/or each Data Controller as may reasonably be required to give effect to the appointment of the Contractor as a processor (in accordance with the applicable provisions of this Codified Agreement) of Personal Data on behalf of that Data Controller.

2.3.3 In respect of any Personal Data of which POCL is the Data Controller, the Contractor shall be entitled to appoint any of the Contractor's subcontractors listed in Schedule A08 to process that Personal Data provided that, to the extent such processing is undertaken by a subcontractor, the subcontract incorporates terms which are equivalent in nature and extent to those dealing with such processing set out in this Codified Agreement and which impose obligations upon that subcontractor at least as onerous as those imposed upon the Contractor under this Codified Agreement.

2.3.4 Where POCL fails to ensure that POCL and the Contractor have delegated authority from each Data Controller to the full extent referred to in paragraph 2.3.1 of this Schedule A02 or where the terms of POCL's contract with a Data Controller do not permit the Personal Data of that Data Controller to be processed on the terms of this Codified Agreement:

(a) POCL shall indemnify the Contractor in respect of all claims, demands, actions, costs (including legal costs), expenses, losses and damages arising from or incurred by reason of any processing of Personal Data by the Contractor in the absence of such delegated authority or permission, unless such processing by the Contractor is outside POCL's or the Data Controller's instructions or otherwise in breach of the Codified Agreement; and

(b) the Contractor shall not be required to perform any additional obligations or any reduced or modified obligations as a result of such failure or lack of permission without its agreement in accordance with the Change Control Procedure.

2.3.5 All instructions given by POCL to the Contractor (on its own behalf as Data Controller, or on behalf of any other Data Controller) in respect of Personal Data shall at all times be in accordance with the laws of the United Kingdom.

Contractor's rights and obligations

2.3.6 The Contractor shall process Personal Data in accordance with the instructions of each Data Controller which are as set out in the applicable provisions of the Service Definition Schedules dealing with such processing (or as may be agreed under the Change Control Procedure).

2.3.7 The Contractor shall obtain no rights of any nature in Personal Data.

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2.3.8 Personal Data shall not be mechanically copied or otherwise reproduced by the Contractor and shall not be altered or supplemented with other data except to the extent necessary to comply with the provisions of this Codified Agreement.

2.3.9 So far as this Codified Agreement requires or as may be agreed under the Change Control Procedure, the Contractor shall arrange for the prompt and safe return of all Personal Data together with all copies thereof which are under the Contractor's control to POCL or the relevant Data Controller.

2.3.10 The Contractor shall destroy or dispose of Personal Data in accordance with the applicable provisions of this Codified Agreement.

Subject Information Requests

2.3.11 For the purposes of this paragraph 2.3,

"Subject Information Request" means a valid request (as provided for in the Data Protection Act 1998) by or on behalf of a Customer or User for a copy of Personal Data of that Customer or User held or which may be held by the Contractor;

"Response Capability" means in relation to any Subject Information Request for Personal Data in Transaction records held by the Contractor notified to the Contractor in accordance with paragraph 2.3.13 of this Schedule, the Contractor's ability to respond to that request within the applicable time limit taking into account the following factors:

(a) the number, type and frequency of Subject Information Requests notified to the Contractor and/or to which the Contractor is already responding at the time of such notice;

(b) the number of Audit Record Queries to which the Contractor is also responding;

(c) the processing time estimated by the Contractor for retrieval of data required to satisfy each Subject Information Request;

(d) where Subject Information Requests and/or Audit Record Queries cover the same dates, contention for digital linear tapes if the relevant date(s) are on the same tapes;

(e) if applicable, the availability of a digital linear tape if the required tape is not ready-loaded; and

(f) the availability of workstations on which to do the work;

"Extraction Rate" means the rate at which information required to satisfy a Subject Information Request for Personal Data in Transaction records can be loaded from digital linear tape, sorted as required and the necessary information transferred to CD ROM, including all associated intervening manual and automated processes.

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2.3.12 The Contractor shall record and then refer all written Subject Information Requests (other than those notified to the Contractor in accordance with paragraph 2.3.13 of this Schedule A02) it receives to POCL or (if POCL shall have previously notified the Contractor of the appropriate Data Controller contact name and address) to the appropriate Data Controller within five (5) days of receipt of the request, whether or not the request was received in error.

2.3.13 POCL shall notify the Contractor of each Subject Information Request it requires the Contractor to deal with, providing the time limit applicable in respect of each such request and sufficient information in each case to enable the Contractor to locate and retrieve the information requested or to confirm that the information is not held by the Contractor, as the case may be. In respect of each Subject Information Request for Personal Data which are or may be held by the Contractor in Transaction records, such information shall include the date or date range, the relevant personal identifier and, where available, the Outlets to be covered by the search, giving the FAD code for each such Outlet.

2.3.14 The following provisions shall apply in respect of Subject Information Requests for Personal Data which are or may be held by the Contractor in Transaction records.

(a) A Subject Information Request which satisfies the conditions set out in paragraph (b) below can be responded to by the Contractor at an Extraction Rate of forty five (45) days worth of Transaction information per Outlet requested per day. Each such Subject Information Request which, if processed at that rate (and allowing for other Subject Information Requests then being or which are required to be processed by the Contractor) would be responded to within the time limit notified to the Contractor for that request, shall be within the Response Capability of the Contractor.

(b) The conditions referred to in (a) above are that:

(i) the Outlet FAD codes for the Outlets covered by the Subject Information Request are provided to the Contractor;

(ii) the Subject Information Request is requested by POCL after commencement of NB Pilot (Soft Launch);

(iii) the period to which the Subject Information Request relates is between 45 and 90 consecutive days; and

(iv) the rate at which Audit Record Queries are being processed by the Contractor at the time of receipt of the Subject Information Request is less than eight hundred (800) per year on a rolling year basis.

(c) The Contractor shall assess and notify POCL which of the Subject Information Requests notified to it by POCL (other than those within the Response Capability in accordance with (a) above) can be responded to within the Response Capability and those in relation to which the Contractor's ability to respond is outside the Response Capability.

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(d) If the Contractor's ability to respond to a Subject Information Request is within the Response Capability, the Contractor shall, subject to the Contractor's current and expected future workload for dealing with both Audit Record Queries and Subject Information Requests remaining the same or decreasing), respond to that request within the applicable time limit.

(e) Subject to paragraph (f), below if the Contractor's ability to respond to a Subject Information Request is outside the Response Capability, the Contractor shall notify POCL how long it would take to respond to that Subject Information Request, and shall (subject to the Contractor's current and expected future workload for dealing with both Audit Record Queries and Subject Information Requests remaining the same or decreasing) respond to that request within the Contractor's estimated response time plus 10% of that time.

(f) If the Contractor's ability to respond to a Subject Information Request is outside the Response Capability and the Contractor reasonably believes that at its current workload it may never be able to respond to that request, it shall notify POCL of that fact and POCL may nevertheless request the Contractor to respond to that request as soon as reasonably practicable. POCL acknowledges and agrees that for so long as the Contractor's ability to respond to such requests remains outside the Response Capability, the Contractor will not be able to respond to them.

(g) Unless agreed otherwise, the Contractor's response to each Subject Information Request shall be in the form of an Excel (or other equivalent product) spreadsheet and shall be provided to POCL (or the relevant Data Controller) on CD ROM.

(h) The Contractor shall seek to accommodate the priorities (of which it is notified) of POCL for Subject Information Requests to be responded to in a particular order. POCL agrees that if by accommodating such priorities, the Contractor would be unable to achieve a time limit for a Subject Information Request to which the Contractor is responding or is required to respond, that time limit shall not be applicable and (unless otherwise agreed) the Contractor shall respond to such request as soon as reasonably practicable.

(i) If the number, type and frequency of Subject Information Requests the Contractor receives from POCL and/or Data Controllers are such that some or all of those requests are not being responded to within applicable time limits or the Contractor's ability to respond is or is forecast to be outside the Response Capability the following shall apply:

(i)The parties shall assess the need for changes to the relevant system architecture and/or investment in additional hardware, software or other equipment to enable forecast numbers of Subject Information Requests to be responded to within applicable time limits, with any necessary consequential changes having been made to the Response Capability; and

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(ii) Any such investment shall be the subject of a CCN and shall not be undertaken by the Contractor without POCL's prior agreement.

2.3.15 In respect of any Subject Information Requests to which paragraph 2.3.14 does not apply, the Contractor shall respond to those requests as soon as reasonably practicable taking into account the time limits notified to the Contractor for those requests and the technical limitations of any systems used to source the information requested.

2.3.16 POCL shall:

(a) be responsible for referring subject information requests received by it from the Contractor to the appropriate Data Controller;

(b) promptly notify the Contractor when POCL becomes aware that the Contractor's assistance is required with a Subject Information Request; and

(c) pay the Contractor's Charges for assisting with Subject Information Requests (but not for referring Subject Information Requests to POCL or to third party Data Controllers, for which POCL shall not be charged) such Charges to be calculated on a time and materials basis using the Contractor's rates set out in paragraph 14 of Schedule A12.

Audit

2.3.17 If requested by POCL, the Contractor will allow reasonable access to its data processing facilities and allow its procedures and documentation to be submitted for inspection (on the Contractor's premises) by the auditors of each Data Controller in order to ascertain compliance with the terms of this Codified Agreement. POCL shall give the Contractor reasonable notice of such access and/or inspection being required by a Data Controller. The Contractor's charges for assistance provided to POCL or a Data Controller for the purposes of such access or inspection (which shall be paid by POCL) shall be calculated on the basis of the Contractor's rates set out in paragraph 14 of Schedule A12.

Security and disclosure of Personal Data

2.3.18 The Contractor shall at all times:

(a) preserve the integrity of Personal Data; and

(b) maintain security over Personal Data

in accordance with the provisions of this Codified Agreement, including (but not limited to) paragraph 4.1 of this Schedule A02.

2.3.19 The operational and technological processes and procedures in place to safeguard against any unauthorised access, loss, destruction, theft, use or disclosure of Personal Data shall be those which relate to POCL Data set out in this Codified Agreement.

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2.3.20 The Contractor shall not disclose any Personal Data to any person except to such of its employees, agents, sub-contractors, third parties performing software maintenance or support and consultants who require that information in order for the Contractor to perform its obligations under this Codified Agreement. Prior to disclosing Personal Data or any portion thereof to such employees, agents, subcontractors, third parties or consultants, the Contractor shall ensure the relevant employee, agent, subcontractor, third party or consultant is subject to a written contract with the Contractor requiring them to comply with the Contractor's obligations herein regarding the security and confidentiality of the Personal Data and to comply with the Contractor's instructions in processing it. The Contractor must not knowingly cause or allow an employee, agent, subcontractor, third party performing software maintenance or support or consultant to process Personal Data in a way that the Contractor would not itself be entitled to process it under this Codified Agreement.

2.3.21 The Contractor may disclose or transfer outside the European Economic Area Personal Data which are an integral part of diagnostic data or data generated for diagnostic purposes subject to and in accordance with the provisions of paragraph 2.3.20 of this Schedule A02 and subject to the proviso that either: the written contract referred to in that paragraph contains such other provisions (in addition to those relating to security and confidentiality of the Personal Data) as are necessary to satisfy the requirements of the eighth data protection principle of the Data Protection Act 1998; or those requirements are otherwise satisfied or do not apply. The Contractor shall notify POCL in writing whenever Personal Data are disclosed or transferred outside the European Economic Area in accordance with this paragraph 2.3.21, such notice to state who such Personal Data have been disclosed or transferred to and the purpose of such disclosure or transfer and to contain, in general terms, a description of such Personal Data.

2.3.22 Except as permitted by paragraph 2.3.21 of this Schedule A02, the Contractor shall not transfer Personal Data outside the European Economic Area.

Indemnity

2.3.23 The Contractor shall indemnify POCL in respect of all claims, demands, actions, costs (including legal costs), expenses, losses and damages arising from or incurred by reason of any breach by the Contractor of any of paragraphs 2.3.6, 2.3.8 to 2.3.12 (inclusive), 2.3.14 (other than 2.3.14(b)(i)), 2.3.15, and 2.3.17 to 2.3.22 (inclusive) provided that such breach caused a Data Controller to fail to comply with the Data Protection Act 1998 and to the extent such claims, demands, actions, costs (including legal costs), expenses, losses or damages arise in connection with that failure.

Part B

2.3.24 Without limiting the generality of Clause 609 of this Codified Agreement, the Contractor shall if and when it is acting as a Data Controller rather than a Data Processor of Personal Data:

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(a) ensure that having regard to the purpose or purposes for which Personal Data were obtained and further processed, it has taken reasonable steps to ensure the accuracy of the Personal Data;

(b) ensure that its notifications to the Information Commissioner are correct and up to date;

(c) respond in a timely fashion to all subject information requests in relation to Personal Data; and

(d) respond in a timely fashion to all requests for information or assistance from the Information Commissioner.

3. EQUIPMENT STANDARDS

3.1. The Contractor shall ensure that all Equipment is rated for continuous operation, and is capable of functioning safely and reliably for an unlimited period, attended or unattended, in the installed environment.

3.2. Each installation of such Equipment shall be physically and electrically safe and in compliance with relevant legislation and recognised best practice. Such installation shall not cause interference with other devices. Such Equipment may be required to be installed in residential premises. The provisions of this paragraph 3.2 shall not apply in relation to the installation of PIN Pads where that installation is carried out by POCL or by a third party on behalf of POCL except where carrying out that installation in accordance with the CCD entitled "*Pin Pad Technical Installation Training Guide*" *(IM/MAN/022)* has directly resulted in that installation being non-compliant with relevant legislation or recognised best practice or not being physically or electrically safe. [R474 para 2]

3.3. Not used.

3.4. In paragraph 3.2, "relevant legislation and recognised best practice" includes mandatory standards, including all relevant UK Regulations and, from the due date of UK implementation, EC Directives. Such Equipment shall be maintained so as to be compliant with any subsequent legislation or mandatory standards. [R474 para 2(a) and (b)] If the requirements of any subsequent relevant legislation, mandatory standards and/or recognised best practice relate to implementations in respect of PIN Pads, POCL shall be responsible for all reasonable costs incurred by the Contractor (including those of its agents, consultants and /or subcontractors) in complying with its obligation under this Schedule to maintain PIN Pads and their installations in compliance with such requirements.

3.5. It shall be possible to prove compliance with legislation or mandatory standards as and when necessary. [R474 para 4]

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3.6. The Contractor shall ensure that all information technology, telecommunications or electrical business Equipment (including but not limited to PIN Pads but not the power supply thereto) complies with BS EN 60950:2000 and any subsequent amendments, and that Equipment comprising AC power adapters (which for the avoidance of doubt excludes PIN Pads) complies with BS EN 60065:1998.

3.7. The Contractor shall ensure that workstation aspects of the Equipment, excluding, for the avoidance of doubt, PIN Pads and any other equipment which is used predominantly by Customers rather than by Users, shall comply with The Health and Safety (Display Screen Equipment) Regulations 1992, which implement Council Directive 90/270/EEC on working with display screen Equipment.

3.8. The Contractor shall ensure that any Equipment containing laser emitters (including without limitation laser printers and laser bar-code scanners) complies with BS EN 60825:1992.

3.9. Not used.

3.10 The Contractor shall ensure that all electrical Equipment complies with:

(a) the Radio Equipment and Telecommunications Terminal Equipment Regulations 2000 and regulations 5 and 7 of the Electrical Equipment (Safety) Regulations 1994; and

(b) the requirements of BS 7671: 2001 in relation to the method of connection to the main supply and associated equipment earth leakage currents, insofar as it applies to the equipment supplied by the Contractor at the point of connection.

3.11. Not used.

3.12. The Contractor shall arrange for regular electrical safety testing of all relevant elements of the POCL Service Infrastructure installed in POCL Premises, thereby enabling POCL to meet its legal obligations under the Electricity at Work Regulations 1989 and Electricity at Work Regulations (NI) 1991 (S.R. 1991 No. 13). [R912 and S912]

3.13. The Contractor shall ensure that any Equipment connected, or intended for connection, to weighing devices meets the requirements of the Non-automatic Weighing Instruments Regulations 2000 [Schedule 3 Applications].

3.14. The Contractor shall ensure that all visual display terminal Equipment (including without limitation keyboards but excluding PIN Pads) complies with the relevant requirements of ISO 9241:1992.

3.15. The Contractor shall ensure that all Equipment that falls within the scope of either :

(a) the Electromagnetic Compatibility ("EMC") Regulations 1992, which implement Council Directive 89/336/EEC (as amended by Directive 91/26/EEC, Directive 92/31/EEC and Directive 93/86/EEC); or

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(b) the Radio Equipment and Telecommunications Terminal Equipment Regulations 2000, which implement Council Directive 1999/5/EC and which replaced the provisions in the regulations referred to in paragraph 3.15(a) relating to radio and/or telecommunications terminal equipment,

complies with those Regulations.

3.16. The Contractor shall ensure that Equipment covered by EN45501:1992 complies with clause A4.5 (voltage variations) and Annex B of that standard.

3.17. The Contractor shall ensure that the acoustic noise emission of any item of Equipment does not materially add to average background noise levels of the environment in which it is installed, and shall in no event exceed 60dB(A) when measured at a distance of 1 metre and in accordance with ISO 7779.

3.18. The Contractor shall ensure that all items of Equipment to which BS EN 60529:1992 applies, have an Index of Protection rating of IP3X as defined in BS EN 60529:1992.

3.19 The Contractor shall ensure that Equipment complies with EN 55022 (Emissions) Information Technology Equipment – Radio Disturbance Characteristics – Limits and Methods of Measurements.

4. POCL'S POLICIES AND STANDARDS

4.1. Security Policy [all from R698]

4.1.1. The Contractor shall minimise and control liabilities to itself and POCL.

4.1.2. The Contractor shall, by a date consistent with the Project Plan, set up an organised security infrastructure covering:

(a) the agreement of a security policy;

(b) allocation of security responsibilities;

(c) security education and training;

(d) reporting security Incidents;

(e) physical security control;

(f) virus control;

(g) business continuity;

(h) control of Software;

(i) safeguarding POCL records;

(j) information classification;

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(k) compliance with data protection and other legislation;

(l) information exchange control;

(m) Contractor's sub-contractors and suppliers;

(n) compliance with security policy;

(o) the management of fraud and risk during POCL Service operation compatible with Clause 106.10.

4.1.3. The Contractor shall be compliant with ISO 17799.

Security Standards

4.1.4. The Contractor shall adhere to the relevant parts of POCL's security standards and requirements listed below, and co-operate with POCL to assist POCL in complying with those standards and requirements:

(a) 'Social Security IT Security Standards' to the extent applicable to OBCS and to the POCL Infrastructure Services necessary to deliver OBCS;

(b) 'Post Office Counters Information Systems Security Policy'; and'

(c) A Code of Practice for Post Office Information Systems Security'.

4.1.5. Any changes to the list in paragraph 4.1.4. shall be made in accordance with Clause 101.2.

Data Security

4.1.6. The confidentiality, integrity, validity and completeness of data shall be maintained throughout all storage, processes and transmissions, including during periods of Service Failure and recovery from Service Failure. [R828]

4.1.7. Not used.

Prosecution support

4.1.8. The Contractor shall ensure that all relevant information produced by the POCL Service Infrastructure at the request of POCL shall be evidentially admissible (and, where relevant capable of certification) in accordance with the requirements of the law in relation to criminal proceedings including (without limitation) the Police and Criminal Evidence Act (PACE) 1984, the Police and Criminal Evidence (Northern Ireland) Order 1989 and equivalent legislation covering Scotland. [R829 para 1]

4.1.9. At the direction of POCL, audit trail and other information necessary to support live investigations and prosecutions shall be retained for the duration of the investigation and prosecution irrespective of the normal retention period of that information. [R829 para 2]

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4.2. Audit

4.2.1. The Contractor shall comply with the audit standards described in Schedule A03.

4.3. Training and Training Material

4.3.1. The Contractor shall prepare all training events and training material - and, where required by the Codified Agreement to provide them, shall provide such training events and training material - used to train POCL's staff or agents and the POCL's Agents and their staff or agents, in conformance with either:

(a) the Kirkpatrick structured training evaluation methodology (levels 1 to 2 for all training events and documentation);; or

(b) any alternative structured training evaluation methodology which the Contractor may propose, subject to obtaining the prior written agreement of POCL.

4.3.2 Paragraph 4.3.1 above shall not apply in respect of the NBS, the PIN Pad Implementation Service or any other POCL Service which may be agreed after approval of the CCN introducing the NBS.

4.4. Documentation

4.4.1. The Contractor shall ensure that all documentation, whether paper-based or electronically produced, relating to the POCL Services, harmonises with the design principles identified in Design Standards Volume 1: Identity System [POCL Visual Identity Design Applications Guideline], unless prior written consent to the contrary has been obtained from POCL.

4.4.2. The Contractor shall ensure that all materials which are used for producing documentation relating to the POCL Services, conform to relevant parts of Guide to Environmental Best Practices in Post Office Counters Limited [POCL's Environmental Policy Summary].

5. CONTRACTOR'S POLICIES AND STANDARDS

5.1. Quality Management System

5.1.1. The Contractor shall operate a quality management system which complies with BS EN ISO 9001:2000 for all its activities within the scope of the Codified Agreement.

5.1.2. The quality management system shall be applied to all aspects of the delivery of POCL Services hereunder.

5.1.3. The quality management system shall be audited and certified by a BSI accredited auditor, who is independent of both the Contractor and POCL:

(a) in any event, at intervals of not longer than twelve (12) months; and

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(b) in addition, within twenty (20) Working Days of any such request.

5.1.4. The Contractor shall within one (1) month of each audit :

(a) provide POCL with copies of all reports produced by the auditor on the quality management system; and

(b) notify POCL of and carry out the Contractor's proposed follow up actions where required.

5.2. Human-Computer Interface

5.2.1. The Contractor shall create and maintain, as a controlled document and to the documentation standards referenced in 4.4.1 above, the Horizon OPS Style Guide.

5.2.2. The Horizon OPS Style Guide shall set out general guidelines for the Human-Computer Interface, including without limitation details of screen layouts, system navigation routes and help and manual entry facilities.

5.2.3. The Contractor shall use reasonable endeavours to specify a Human-Computer Interface which is intuitive and easy to use by Users, including Counter Clerks, to minimise errors and delays.

5.2.4. The Contractor shall ensure that the Human-Computer Interface provides a consistent look and feel across all Applications delivered by the Contractor over the POCL Service Infrastructure, and that it is easily adapted to facilitate the introduction of new Applications.

6. ADDITIONAL NBS POLICIES AND STANDARDS

6.1 Encryption keys used that could directly or indirectly expose plain text PIN values and any keys used in association with MACs shall be managed in accordance with the principles established in ISO 8732 and ISO 11568 as applicable.

6.2 The key management scheme used between each PIN Pad and the rest of the POCL Service Infrastructure shall be the DUKPT scheme as defined by Section 4.7 and Appendix A of the ANSIX9.24-1998 standard.

6.3 The HSM shall be conformant to the standards set out in the versions of [FIPS 140-1 level 3 and ISO 9564 1st edition 1991 section 6.3.1 as specified in the LINK information security standard issued January 2001 (subject to such dispensations from that Standard as LINK may grant from time to time).

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SCHEDULE A04- CONTRACT MANAGEMENT

Version reference	Reason for change	Frozen/issue date
1.0	Initial baseline version	28 July 1999
1.3a	Incorporation of new board structure plus escalation principles	
3.0a	Changes introduced by CCN 830a	
3.0b	Changes introduced by CCN 985	21/06/02
4.0l	New Schedule introducing Network Banking Service	
4.0	To introduce Network Banking Service	24/06/02

1. OBJECTIVES OF CONTRACT MANAGEMENT

1.1. The objectives of Contract Management in the Codified Agreement are to monitor and manage the delivery of the POCL Services, and to authorise actions which improve those POCL Services, taking account of the provisions relating to change as specified in Clause 101.2.

1.2. The sections below detail (without limitation) the specific objectives of key activities that will be undertaken. The significance of the detailed tasks may vary over the life of the Codified Agreement.

2. ORGANISATION

2.1. General

2.1.1. "Management Table" means the table set out in the Annex to this Schedule.

2.1.2. The Contractor and POCL shall establish each of the boards contained in the row headed "Board" of the Management Table no later than the date contained in the row headed "starting date" of the said table.

2.2. Purpose

2.2.1. The purpose of each Board shall be as set out in the row headed "Purpose" of the Management Table in the column for that Board.

2.2.2. The meeting secretary of each Board shall record and issue a record of agreed decisions and actions arising out of a meeting of that Board.

2.3. Frequency

2.3.1. The frequency of the meetings of each Board shall be as set out in the row headed "Frequency" of the Management Table in the column for that Board or such other times as that Board may agree.

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2.4. Attendees

2.4.1. The attendees of meetings of each Board shall be as set out in the rows headed "POCL Attendees" and "Contractor Attendees" of the Management Table in the column for that Board.

2.4.2. In the event that an attendee is unable to attend a Board meeting then the attendee may appoint a substitute to attend that meeting.

2.4.3. The attendees of meetings of each Board may, with both parties' consents (such consent not to be unreasonably withheld or delayed), invite other attendees to such meetings.

2.5. Approvals

2.5.1. Where a Board is required to make a formal decision then such decision shall not be effective unless both the person set out in the row headed "POCL Approval" in the Management Table in the column for that Board and the person set out in the row headed "Contractor Approval" shall have approved such decision in writing.

2.6. Escalation

2.6.1. In the event that a meeting of a Board decides that it has an issue to resolve which is outside its authority or which requires expertise not provided by its usual attendees, the POCL Approval and the Contractor Approval for that Board shall prepare an agreed joint written statement of the issue and arrange either:

- resolution of the issue through ad hoc discussions and correspondence between the relevant experts and authorised decision makers of POCL and the Contractor; or
- attendance by the relevant experts and authorised decision makers of POCL and the Contractor at the next meeting of the Board (which may, by agreement, be a special meeting) to address that specific issue.

3. CROSS PROJECT ISSUES

3.1. Where the Contractor becomes aware of an urgent cross-project issue which it has been unable to resolve by other means, it may request an urgent meeting. Such requests shall be made to the Post Office Ltd Programme Integration Director, or in his absence to the Programme Integration Manager, who shall decide whether a meeting is required.

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Annex to Schedule A4
Management Table

Board	New Requirements Board	Joint Change Control Board	Contract Administration Board	Release Authorisation Board	Service Review Board
Purpose	• To communicate POCL service development plans to the Contractor. • To review and agree provisional high level planning assumptions for future developments of the Services. • To initiate and monitor progress of development of service definitions and terms and conditions for additions to the contracted services. • To review progress of paid studies undertaken to investigate potential additions to the contracted services. • To approve additions to the contracted services, which will then be formally introduced by CCN. • All discussions and agreements at this board are without prejudice and subject to contract until confirmed through the Change Control process	• To agree timescales for processing Change Requests ("CRs") and CCNs • To monitor CRs and CCNs in progress • To review reasons for rejection of CRs and CCNs • To review CCNs • To agree mechanisms to enable new provisions to be drafted and agreed under CCN. • To resolve questions of whether particular changes require CRs or can be handled through operational business change • To resolve any commercial issues arising from CRs or CCNs	• To act as the point of escalation for any disputes about the amounts or terms of invoices. • To review and agree changes to the contract to implement signed CCNs. • To discuss and resolve questions of interpretation of the contract. • To provide expert advice on drafting of CCNs • To operate version control of the contract and maintain records of CCDs and CRDs • To monitor and facilitate resolution of Agreements to Agree	• In relation to any Release, to review readiness reports and decide whether that Release should go into live operation	• To review performance against contracted service levels. • To agree remedies payable arising from any failures to meet service levels • To monitor and review operation of operational business change processes. • Such other purposes as are set out in the relevant service management schedules. • Post NB Pilot (Soft Launch): to review capacity management issues arising, and where appropriate recommend changes to the CCD entitled "Horizon Business Volumes" and plan the purchase of additional system capacity in respect of such changes
Starting Date	28/08/99	28/08/99	28/08/99	28/08/99	28/08/99
Frequency	6 per annum, or more frequently by agreement	Fortnightly	As needed - most business likely to be handled by phone and correspondence.	When CSR+ or any further Release is to be reviewed	Monthly
POCL Attendees	• Programme Integration Director • Technical Architecture • Business Architecture • IS Services Manager • Business Sponsors (as appropriate) • Commercial Manager • Meeting Secretary	• IS Service Manager • Business Architecture • Sponsors of Changes (as appropriate) • Head of Programme Management Office • Horizon Commercial & Contracts Manager • Change Control Manager (acts as meeting secretary)	• IS service Manager • Horizon Commercial & Contracts Manager • Contract Manager (Meeting Secretary) • (Legal advisor at POCL's option - advance notice to be given of attendance)	• Programme Integration Director, who shall be Chairman	• Head of Business Service Management • Service Operations Manager • Meeting secretary • Others at POCL's discretion • (Horizon Commercial Manager will attend if remedies on agenda)
Contractor Attendees	• Programme Director • Director Business Development • Director Commercial and Finance • Development Director	• Director Commercial and Finance • Contract Manager • Sponsors or owners of Changes (as appropriate) • Change Control Manager	• Director Commercial and Finance • Contract Manager • (Legal advisor at the Contractor's option - advance notice to be given of attendance)	• Managing Director or his authorised deputy.	• Customer Service Director • Others at the Contractor's discretion • (Financial Controller will attend if remedies on agenda)
POCL Approval	Programme Integration Director	IS Service Manager (or his authorised deputy for this purpose, notified in writing to ICL Pathway from time to time) or Programme Integration Director or Executive Director Change and IS subject to authority limits to be decided by POCL	IS Service Manager		Head of Business Service Management
Contractor Approval	Programme Director	Managing Director or Director Commercial and Finance or the Director Business Development subject to authority limits to be decided by Pathway	Director Commercial and Finance		Customer Service Director

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Annex to Schedule A4
Management Table

Board	Joint NBS Progress Board	Joint NBS Project Board	NBS Acceptance Board	NBS Acceptance Management Board	Not Used
Purpose	• To review operational issues arising from the design, development and testing of the NBS • To review performance against the NB Project Plan • To review and agree assessment of proposed changes to the NB Project Plan • To review delivery of the PIN Pads against schedule and performance at *PIN* pads • To review and resolve operational issues arising in relation to the installation of PIN Pads and hardcopy of PIN Pads to Fujitsu Services.	• To review and resolve issues arising in relation to the Contractor's development of the NBS and in relation to End to End Banking, including those referred by the Joint NBS Progress Board • To review progress towards the NBS Release authorisation decision and reports for the Release Authorisation Board • To review progress and performance in the development and deployment of NBS including PIN Pads • To review and resolve operational issues arising in relation to the installation of PIN Pads	• To resolve failures to agree escalated from the NBS Acceptance Management Board, NBS Acceptance Specifications and the NBS Acceptance Plan • To review the status of NBS Acceptance Test results in the period leading up to NBS Acceptance Date • To consider NBS Acceptance disputes referred to it by the NBS Acceptance Management Board • To ratify proposed rectification plans • To review the potential impact on NBS Acceptance of the activities of third party suppliers	• Agree NBS Acceptance Specifications and the NBS Acceptance Plan; • Agree classifications of severity of NBS Acceptance Incidents and NBS Acceptance Progress Incidents; • Agree proposed rectification plans, and • Agree the potential impact on NBS Acceptance of the activities of third party suppliers. • Consider and attempt to resolve NBS Acceptance disputes • Document and escalate to the NBS Acceptance Board any failures to agree the above	
Starting Date	~~[DN: date of approval of NBS Gate]~~ 26 JUN 2002 GRO	~~[DN: date of approval of NBS G~~ 26 JUN 2002 GRO	[DN: date to be agreed prior to NBS Acceptance]	~~[DN: date of approval of NBS G~~ 26 JUN 2002 GRO	
Frequency	Weekly or less frequently by agreement	Monthly or more frequently by agreement	Monthly or more frequently by agreement	Weekly or less frequently by agreement	
POCL Attendees	• NBS Project Manager • • [Nominees from Design Authority, Business Change and Commercial Manager to attend as needed] • Meeting secretary	• Release 1 Programme Manager • NBS Project Manager • Commercial Manager • NB Design Authority Manager • NB Business Change Manager • Meeting secretary	• Programme Integration Director • Release 1 Programme Manager • Head of Business Architecture • Programme Office representative	Attendees will comprise of one or more from the following, • Release 1 Programme Manager • PO Ltd Design Authority • PO Ltd Project Manager • IS Service Manager • PO Ltd Acceptance Manager	
Contractor Attendees	• NBS Programme Manager • And any other attendees as decided by the Contractor from time to time.	• Development Director • Programme Director • NBS Programme Manager • Director Commercial and Finance • ASD Manager • Release Manager • And any other attendees as decided by the Contractor from time to time.	• Programme Director • NBS Programme Manager • Director Consultancy Services • And any other attendees as decided by the Contractor from time to time.	• NBS Acceptance Manager, NBS Programme Manager • Any other attendees as decided by the Contractor from time to time.	
POCL Approval	NBS Project Manager	Release 1 Programme Manager	Programme Integration Director	Release 1 Programme Manager	
Contractor Approval	NBS Programme Manager	Programme Director	Programme Director	NBS Acceptance Manager	

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SCHEDULE A06- APPROACH TO REMEDIES

Version Reference	Reason for Change	Frozen/issue date
1.0	Original Baseline	28 July 1999
2.0a	Applying CCN679b to 4.2	
2.0	Baseline of 2.0a	12 January 2001
4.0e	New Schedule introducing Network Banking Service	21/5/02
4.0	To introduce Network Banking Service	21/06/02

1. PURPOSE

1.1. This Schedule sets out the approach to remedies which shall be applicable to all POCL Services.

2. GENERAL PRINCIPLES

2.1. The purpose of remedies is that POCL shall not be disadvantaged by failures of the Contractor to provide the POCL Services to the agreed specification and reliability.

2.2. Remedies in failure to meet Service Levels are designed so that:

(a) POCL will not pay for POCL Services which it does not receive or will pay a reduced amount for POCL Services which fail to meet the Service Levels;

(b) POCL will be compensated for loss or damage which it incurs as a result of unavailability of POCL Services or POCL Services failing to meet Service Levels;

(c) Repeated failure as defined in paragraph 4.4 or serious failure as defined in paragraph 4.5 by the Contractor to provide any POCL Service to the appropriate Service Levels will entitle POCL to terminate the Codified Agreement in accordance with Clause 902.2.

2.3. The limits on the Contractor's liability contained in Clause 810 shall apply to financial remedies due in accordance with this Schedule.

3. APPLICATION TO SERVICES

3.1. For each POCL Service supplied under the Codified Agreement the relevant Service Levels and Remedies Schedule shall define the measures of Service Levels and remedies.

4. SERVICE LEVELS

4.1. There are two (2) Service Level thresholds:

(a) Minimum Acceptable Threshold;

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(b) Termination Review Threshold.

4.2. Unless specified otherwise in the relevant Service Level Schedules, Service Levels shall be measured and reported over Service Level Measurement Periods and using metrics defined for each POCL Service. Additionally, unless specified otherwise in the relevant Service Level Schedules, all levels of service shall be monitored on a weekly and monthly basis and any failure to meet a Service Level shall be reported to POCL detailing the required Service Level and the actual level of service achieved.

4.3. In respect of any Service Level Measurement Period when the level of service falls below the threshold in paragraph 4.1(a), POCL shall be entitled to remedies at the end of that period as set out in the relevant Service Level Schedules.

4.4. Unless specified otherwise in the relevant Service Level Schedules, where the Contractor fails to meet the threshold in paragraph 4.1 (a) for a particular POCL Service for three (3) quarterly Service Level Measurement Periods in any twenty four (24) month period, then POCL may terminate the Codified Agreement in accordance with Clause 902.2. If POCL decides not to exercise its termination rights hereto, then rectification of the Default shall be made in accordance with paragraph 7.

4.5. Unless specified otherwise in relevant Service Level Schedules if the level of service fails to meet the threshold in paragraph 4.1 (b) for a particular POCL Service, POCL may terminate the Codified Agreement in accordance with Clause 902.2. If POCL decides not to exercise its termination rights hereto, then rectification of the Default shall be made in accordance with paragraph 7.

4.6. Subject to paragraph 1.4 of Schedule N08, no Service Level threshold of the types defined in paragraph 4.1 of this Schedule A06 shall apply to the NBS until the first complete Service Level Measurement Period following NBS Acceptance.

4.7 For the periods in which the NBS and/or the Existing Services are suspended in accordance with paragraph 5.3.3.5 of Schedule G01, measurements of the Contractor's performance in respect of all Service Levels detrimentally affected by such suspension (in respect of the NBS and the Existing Services) shall be disregarded and the Contractor shall be released from those of its obligations in respect of those services which it is unable to perform as a result of such suspension.

5. PAYMENT OF REMEDIES

5.1. The remedies due shall be available in the form specified in Clause 802.

6. CALCULATION OF TOTAL COMPENSATION DUE

6.1. [not used]

6.2. [not used]

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6.3. The remedies due to POCL from the Contractor in accordance with paragraph 4 are cumulative.

6.4. Without prejudice to paragraph 4.4, in the event that a POCL Service meets the threshold in paragraph 4.1 (b) but fails to meet that in paragraph 4.1 (a), the Service Credits and liquidated damages for such failure shall be POCL's exclusive remedy in damages for such failure.

6.5. Without prejudice to paragraph 4.4, in the event that a POCL Service fails to meet the threshold specified in paragraph 4.1(b), liquidated damages shall be payable to the extent the POCL Service fails to meet the levels between the thresholds in 4.1 (a) and in 4.1 (b), but not to the extent the POCL Service fails to meet the threshold in para 4.1 (b), in respect of which failure damages at large will be recoverable.

7. RECTIFICATION IN CASE OF SERIOUS FAILURE

7.1. In the event that POCL decides not to exercise its rights to termination pursuant to paragraphs 4.4 or 4.5, then the Contractor and POCL shall agree a method of rectification, including a timetable, for the Default. For the avoidance of doubt, the Contractor remains liable for financial remedies in respect of the failure giving rise to the Default.

7.2. In the event that the rectification plan involves a change to the provision of the POCL Services, the procedures set out in Schedule A5 shall apply. For the avoidance of doubt, changes to the provision of the POCL Services made in accordance with this paragraph shall be made at no cost to POCL.

7.3. Notwithstanding the provisions of paragraph 7.1, POCL reserves its termination rights in the event of the Contractor and POCL being unable to reach agreement on a rectification plan.

7.4. Without prejudice to POCL's general rights to remedies, during the rectification period the Contractor shall maintain the levels for all other POCL Services above the threshold in paragraph 4.1 (a) unless otherwise agreed with POCL as part of the rectification plan.

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SCHEDULE A7 - CONTRACT TERMINATION

Version Reference	Reason for Change	Frozen/Issue Date
4.0d	New Schedule to introduce Network Banking Service	20/6/02
4.0	To Introduce Network Banking Service	21/06/02

1. INTRODUCTION

1.1 This Schedule covers the responsibilities and payments related to termination of the Codified Agreement. Termination of the Codified Agreement includes:

(a) termination of the Codified Agreement before its expiry due to Contractor Default;

(b) termination of the Codified Agreement before its expiry without Contractor Default;

(c) termination of the Codified Agreement at its expiry.

1.2 In any of the above termination conditions POCL may seek to obtain the delivery of services equivalent to the POCL Services under the Codified Agreement, either by performing them itself or by means of a replacement contractor.

1.3 Where POCL intends to continue the POCL Services after termination, either by performing them itself or by means of a replacement contractor, the Contractor shall use all reasonable endeavours to ensure the smooth transition of the POCL Services and shall co-operate with POCL or the replacement contractor as required in order to fulfil the obligations under this Schedule.

1.4 POCL shall notify the Contractor of its intent under paragraph 1.3 of this Schedule no later than one month after the time of notifying the Contractor of termination of this Codified Agreement.

1.5 Where the Contractor has an identical obligation under this Schedule and under Schedule N06:

1.5.1 the Contractor shall be obliged to perform that obligation once only; and

to the extent the Contractor's performance of that obligation relates:

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1.5.2 to POCL Services other than the NBS and the PIN Pad Implementation Service, such performance shall be deemed to have taken place under this Schedule A07; and

1.5.3 to the NBS or the PIN Pad Implementation Service, such performance shall be deemed to have taken place under Schedule N06.

2. SERVICES REQUIRED ON TERMINATION

2.1 General

2.1.1 On notice of termination of this Codified Agreement the Contractor shall perform the services defined in paragraph 4 of this Schedule.

2.1.2 If notice is given under paragraph 1.4 of this Schedule, the Contractor shall, in addition to the services identified in paragraph 4 of this Schedule, perform the services specified in the remainder of this paragraph 2.

2.1.3 In performance of such services, the Contractor and POCL shall take into account that all the POCL Services under this Codified Agreement are being terminated or transferred, and the effect that has on the availability of assets for transfer under Clause 903.1.

2.2 Training services

2.2.1 Once POCL has provided the Contractor with the list of data and assets required for transfer under paragraphs 4.1 and 4.2 of this Schedule, POCL and the Contractor shall enter into good faith negotiations to identify and specify any training requirements related to such transfers.

2.2.2 The purpose of such training shall be to enable POCL, or a replacement contractor, to adopt, integrate and utilise the data and assets transferred to deliver an equivalent set of services to the POCL Services being delivered under this Codified Agreement.

2.2.3 The Contractor shall produce within one month of notice of termination unless otherwise agreed between the parties, and POCL shall approve:

(a) a training strategy, which details the required courses and their objectives;

(b) training materials (including assessment criteria);

(c) a training plan of the required training events.

2.2.4 The Contractor shall schedule all necessary resources to fulfil the training plan, and deliver the training as agreed with POCL.

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2.3 Transfer support activities

2.3.1 Where POCL intends to continue services equivalent to any or all of the POCL Services after termination, either by performing them itself or by means of a replacement contractor, the Contractor shall use all reasonable endeavours to ensure the smooth transition from the relevant POCL Services to such equivalent services.

2.3.2 The Contractor shall, within one month of notification of the intent to acquire services equivalent to the POCL Services, deliver to POCL for its approval:

(a) Transition plan

A detailed plan of the tasks and responsibilities required to enable the transition to the replacement services. The transition plan shall include, but not be limited to:

i. a timetable of events;

ii. resources;

iii. assumptions;

iv. activities;

v. responsibilities.

(b) Interfaces definition

A detailed specification of the interfaces between each POCL Service provided by the Contractor, and between each POCL Service and the POCL Service Environment. This specification shall be sufficient to allow POCL or a replacement contractor to deliver and maintain the replacement services, without loss of functionality, integrity or security.

2.3.3 On receipt of the documents identified in paragraph 2.3.2, POCL (or any replacement contractor) and the Contractor shall enter good faith negotiations to approve them, and the commitments defined in them.

3. TERMINATION CHARGE

3.1 The Termination Charge is intended to represent a good faith recognition of the loss of revenues the Contractor may reasonably have planned for in establishing the POCL Services and supporting infrastructure (not applicable in case of Default).

3.2 Where a Termination Charge is payable to the Contractor, such payment shall be equal to X+Y+Z, where:

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(a) X shall be £543 million less:

(i) an amount equal to the aggregate of all payments received by the Contractor prior to the date of termination by way of Roll Out Payment. For the avoidance of doubt, sums which are retained by POCL at the date of termination shall not be deemed to have been received by the Contractor for this purpose; and

(ii) an amount equal to such future costs included within the Roll Out Payment as the Contractor is reasonably able to avoid or mitigate as a result of the early termination; and

(b) Y shall be equal to the aggregate of all costs associated with the termination or transfer of the POCL Services, including but not limited to the closure of the Contractor's facilities and termination of its personnel, plus any termination charges payable to suppliers and sub-contractors (the Contractor being required to mitigate such exposure); and

(c) Z shall be an allowance for lost profit, equal to 15% of (A+B-C-D) where:

A shall be equal to the aggregate of:

(i) the Periodic Payments for each Operating Fee Period ended prior to the date of termination less the aggregate of all instalments of the Monthly Operating Fee (as defined in paragraph 5.1 of Schedule A12) received by the Contractor prior to the date of termination;

(ii) the aggregate of the RPI Base Amounts in respect of the Operating Fee Period in which the date of termination falls and each subsequent Operating Fee Period, each multiplied by the sum of one hundred per cent. and the difference, expressed as a percentage of 163.7, between (i) the level of RPI published in respect of the RPI Reference Month for the month in which termination occurs and (ii) the level of RPI published in respect of the RPI Reference Month for May 1999 (being 163.7); and

B shall be equal to the aggregate of all Adjustment Amounts paid to the Contractor pursuant to paragraph 5.8.2 of Schedule A12 in respect of each Operating Fee Period ended prior to the date of termination;

C shall be equal to all Adjustment Amounts deducted pursuant to paragraph 5.8.3 of Schedule A12 in respect of each Operating Fee Period ended prior to the date of termination; and

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D shall be equal to the aggregate of all permitted non-payments of, or reductions in, the Monthly Operating Fee accrued prior to the date of termination under paragraphs 5.5, 5.6 and 5.9 of Schedule A12.

All costs shall be determined in accordance with the Contractor's standard accounting practice, supported by proper vouchers and records and verified by the Contractor's auditors.

4. SERVICES ON TERMINATION

4.1 Transfer of data

4.1.1 On notice of termination of the Codified Agreement the Contractor shall, within one month, deliver to POCL:

(a) an inventory of the POCL Data, plus any other data available for transfer;

(b) a data structure definition covering all data available for transfer;

(c) a proposed physical transfer method;

(d) a proposed method for testing the integrity and completeness of the data transferred.

4.1.2 Within two months or other period agreed by the parties (such agreement not to be unreasonably withheld or delayed) of receiving the Contractor's data transfer proposals as described in paragraph 4.1.1 above, POCL shall notify the Contractor of the data it wishes to be transferred, and POCL and the Contractor shall enter good faith discussions to develop a data transfer plan.

4.1.3 No later than five months after the date of notice of termination of the Codified Agreement, the Contractor and POCL shall co-operate in commencing testing and proving the data transfer plan, such that a transfer may be concluded in accordance with the agreed plan.

4.2 Transfer of assets

4.2.1 On notice of termination of the Codified Agreement the Contractor shall, within one month, deliver to POCL an asset register comprising:

(a) a list of all assets eligible for transfer to POCL under the terms of Clause 903.1, and the terms for such transfer in accordance with paragraph 4.3 of this Schedule;

(b) a list identifying all other assets, other than human resources, skills and know how, that are ineligible for transfer under Clause 903.1, but which

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are essential to the delivery of any of the POCL Services. The purpose of each component shall be included in the list.

4.2.2 Within three months of receiving the Contractor's asset register as described in paragraph 4.2.1(a) above, POCL shall notify the Contractor of the assets it wishes to be transferred, and POCL and the Contractor shall enter good faith discussions to develop a plan for asset transfer, covering both passing of title to assets and any physical transfer required.

4.2.3 The Contractor and POCL shall co-operate in transferring the assets in accordance with the plan developed under paragraph 4.2.2 above.

4.3 Transfer Payment

The Transfer Payment for the purposes of Clause 903.1 of the Codified Agreement shall be as follows:-

4.3.1 if the option under Clause 903.1 is exercised on or after the date on which the final Progress Payment is due pursuant to paragraph 4.3 of Schedule A12 the Transfer Payment shall be £1;

4.3.2 If the option under Clause 903.1 is exercised in circumstances in which a Termination Charge is payable the Transfer Payment shall be £1; and

4.3.3 in all other cases the Transfer Payment shall be an amount equal to $\frac{A}{B-C}$ xD where

A = the number of Outlets to which, on the date of termination, Roll Out shall have occurred since the later of:-

(i) the date of the Codified Agreement; and

(ii) the time when Roll Out occurred to that Outlet which triggered the entitlement of the Contractor to its most recent Progress Payment under Schedule A12 (or which would have triggered such entitlement had the time in question not occurred prior to the date shown in Column 2 of the table in paragraph 1 of Schedule A12 against the Progress Payment in question);

B = the aggregate number of Outlets to which, on the date of termination, Roll Out is required in order to trigger the entitlement of the Contractor to its next Progress Payment;

C = (a) the aggregate number of Outlets to which Roll Out was required in order to trigger the entitlement of the Contractor to its most recent Progress Payment under Schedule A12 (or which would have triggered such

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entitlement had the time in question not occurred prior to the date shown in Column 2 of the table in paragraph 1 of Schedule A12 against the Progress Payment in question); or

(b) where at the date of termination, Roll Out has occurred to less than 1,800 Outlets in aggregate, zero; and

D= £90 million.

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SCHEDULE A7 - CONTRACT TERMINATION

Version Reference	Reason for Change	Frozen/Issue Date
4.0d	New Schedule to introduce Network Banking Service	20/6/02
4.0	To Introduce Network Banking Service	21/06/02

1. INTRODUCTION

1.1 This Schedule covers the responsibilities and payments related to termination of the Codified Agreement. Termination of the Codified Agreement includes:

(a) termination of the Codified Agreement before its expiry due to Contractor Default;

(b) termination of the Codified Agreement before its expiry without Contractor Default;

(c) termination of the Codified Agreement at its expiry.

1.2 In any of the above termination conditions POCL may seek to obtain the delivery of services equivalent to the POCL Services under the Codified Agreement, either by performing them itself or by means of a replacement contractor.

1.3 Where POCL intends to continue the POCL Services after termination, either by performing them itself or by means of a replacement contractor, the Contractor shall use all reasonable endeavours to ensure the smooth transition of the POCL Services and shall co-operate with POCL or the replacement contractor as required in order to fulfil the obligations under this Schedule.

1.4 POCL shall notify the Contractor of its intent under paragraph 1.3 of this Schedule no later than one month after the time of notifying the Contractor of termination of this Codified Agreement.

1.5 Where the Contractor has an identical obligation under this Schedule and under Schedule N06:

1.5.1 the Contractor shall be obliged to perform that obligation once only; and

to the extent the Contractor's performance of that obligation relates:

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1.5.2 to POCL Services other than the NBS and the PIN Pad Implementation Service, such performance shall be deemed to have taken place under this Schedule A07; and

1.5.3 to the NBS or the PIN Pad Implementation Service, such performance shall be deemed to have taken place under Schedule N06.

2. SERVICES REQUIRED ON TERMINATION

2.1 General

2.1.1 On notice of termination of this Codified Agreement the Contractor shall perform the services defined in paragraph 4 of this Schedule.

2.1.2 If notice is given under paragraph 1.4 of this Schedule, the Contractor shall, in addition to the services identified in paragraph 4 of this Schedule, perform the services specified in the remainder of this paragraph 2.

2.1.3 In performance of such services, the Contractor and POCL shall take into account that all the POCL Services under this Codified Agreement are being terminated or transferred, and the effect that has on the availability of assets for transfer under Clause 903.1.

2.2 Training services

2.2.1 Once POCL has provided the Contractor with the list of data and assets required for transfer under paragraphs 4.1 and 4.2 of this Schedule, POCL and the Contractor shall enter into good faith negotiations to identify and specify any training requirements related to such transfers.

2.2.2 The purpose of such training shall be to enable POCL, or a replacement contractor, to adopt, integrate and utilise the data and assets transferred to deliver an equivalent set of services to the POCL Services being delivered under this Codified Agreement.

2.2.3 The Contractor shall produce within one month of notice of termination unless otherwise agreed between the parties, and POCL shall approve:

(a) a training strategy, which details the required courses and their objectives;

(b) training materials (including assessment criteria);

(c) a training plan of the required training events.

2.2.4 The Contractor shall schedule all necessary resources to fulfil the training plan, and deliver the training as agreed with POCL.

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2.3 Transfer support activities

2.3.1 Where POCL intends to continue services equivalent to any or all of the POCL Services after termination, either by performing them itself or by means of a replacement contractor, the Contractor shall use all reasonable endeavours to ensure the smooth transition from the relevant POCL Services to such equivalent services.

2.3.2 The Contractor shall, within one month of notification of the intent to acquire services equivalent to the POCL Services, deliver to POCL for its approval:

(a) Transition plan

A detailed plan of the tasks and responsibilities required to enable the transition to the replacement services. The transition plan shall include, but not be limited to:

i. a timetable of events;

ii. resources;

iii. assumptions;

iv. activities;

v. responsibilities.

(b) Interfaces definition

A detailed specification of the interfaces between each POCL Service provided by the Contractor, and between each POCL Service and the POCL Service Environment. This specification shall be sufficient to allow POCL or a replacement contractor to deliver and maintain the replacement services, without loss of functionality, integrity or security.

2.3.3 On receipt of the documents identified in paragraph 2.3.2, POCL (or any replacement contractor) and the Contractor shall enter good faith negotiations to approve them, and the commitments defined in them.

3. TERMINATION CHARGE

3.1 The Termination Charge is intended to represent a good faith recognition of the loss of revenues the Contractor may reasonably have planned for in establishing the POCL Services and supporting infrastructure (not applicable in case of Default).

3.2 Where a Termination Charge is payable to the Contractor, such payment shall be equal to X+Y+Z, where:

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(a) X shall be £543 million less:

(i) an amount equal to the aggregate of all payments received by the Contractor prior to the date of termination by way of Roll Out Payment. For the avoidance of doubt, sums which are retained by POCL at the date of termination shall not be deemed to have been received by the Contractor for this purpose; and

(ii) an amount equal to such future costs included within the Roll Out Payment as the Contractor is reasonably able to avoid or mitigate as a result of the early termination; and

(b) Y shall be equal to the aggregate of all costs associated with the termination or transfer of the POCL Services, including but not limited to the closure of the Contractor's facilities and termination of its personnel, plus any termination charges payable to suppliers and sub-contractors (the Contractor being required to mitigate such exposure); and

(c) Z shall be an allowance for lost profit, equal to 15% of (A+B-C-D) where:

A shall be equal to the aggregate of:

(i) the Periodic Payments for each Operating Fee Period ended prior to the date of termination less the aggregate of all instalments of the Monthly Operating Fee (as defined in paragraph 5.1 of Schedule A12) received by the Contractor prior to the date of termination;

(ii) the aggregate of the RPI Base Amounts in respect of the Operating Fee Period in which the date of termination falls and each subsequent Operating Fee Period, each multiplied by the sum of one hundred per cent. and the difference, expressed as a percentage of 163.7, between (i) the level of RPI published in respect of the RPI Reference Month for the month in which termination occurs and (ii) the level of RPI published in respect of the RPI Reference Month for May 1999 (being 163.7); and

B shall be equal to the aggregate of all Adjustment Amounts paid to the Contractor pursuant to paragraph 5.8.2 of Schedule A12 in respect of each Operating Fee Period ended prior to the date of termination;

C shall be equal to all Adjustment Amounts deducted pursuant to paragraph 5.8.3 of Schedule A12 in respect of each Operating Fee Period ended prior to the date of termination; and

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D shall be equal to the aggregate of all permitted non-payments of, or reductions in, the Monthly Operating Fee accrued prior to the date of termination under paragraphs 5.5, 5.6 and 5.9 of Schedule A12.

All costs shall be determined in accordance with the Contractor's standard accounting practice, supported by proper vouchers and records and verified by the Contractor's auditors.

4. SERVICES ON TERMINATION

4.1 Transfer of data

4.1.1 On notice of termination of the Codified Agreement the Contractor shall, within one month, deliver to POCL:

(a) an inventory of the POCL Data, plus any other data available for transfer;

(b) a data structure definition covering all data available for transfer;

(c) a proposed physical transfer method;

(d) a proposed method for testing the integrity and completeness of the data transferred.

4.1.2 Within two months or other period agreed by the parties (such agreement not to be unreasonably withheld or delayed) of receiving the Contractor's data transfer proposals as described in paragraph 4.1.1 above, POCL shall notify the Contractor of the data it wishes to be transferred, and POCL and the Contractor shall enter good faith discussions to develop a data transfer plan.

4.1.3 No later than five months after the date of notice of termination of the Codified Agreement, the Contractor and POCL shall co-operate in commencing testing and proving the data transfer plan, such that a transfer may be concluded in accordance with the agreed plan.

4.2 Transfer of assets

4.2.1 On notice of termination of the Codified Agreement the Contractor shall, within one month, deliver to POCL an asset register comprising:

(a) a list of all assets eligible for transfer to POCL under the terms of Clause 903.1, and the terms for such transfer in accordance with paragraph 4.3 of this Schedule;

(b) a list identifying all other assets, other than human resources, skills and know how, that are ineligible for transfer under Clause 903.1, but which

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are essential to the delivery of any of the POCL Services. The purpose of each component shall be included in the list.

4.2.2 Within three months of receiving the Contractor's asset register as described in paragraph 4.2.1(a) above, POCL shall notify the Contractor of the assets it wishes to be transferred, and POCL and the Contractor shall enter good faith discussions to develop a plan for asset transfer, covering both passing of title to assets and any physical transfer required.

4.2.3 The Contractor and POCL shall co-operate in transferring the assets in accordance with the plan developed under paragraph 4.2.2 above.

4.3 Transfer Payment

The Transfer Payment for the purposes of Clause 903.1 of the Codified Agreement shall be as follows:-

4.3.1 if the option under Clause 903.1 is exercised on or after the date on which the final Progress Payment is due pursuant to paragraph 4.3 of Schedule A12 the Transfer Payment shall be £1;

4.3.2 If the option under Clause 903.1 is exercised in circumstances in which a Termination Charge is payable the Transfer Payment shall be £1; and

4.3.3 in all other cases the Transfer Payment shall be an amount equal to $\frac{A}{B-C}$ xD where

A = the number of Outlets to which, on the date of termination, Roll Out shall have occurred since the later of:-

(i) the date of the Codified Agreement; and

(ii) the time when Roll Out occurred to that Outlet which triggered the entitlement of the Contractor to its most recent Progress Payment under Schedule A12 (or which would have triggered such entitlement had the time in question not occurred prior to the date shown in Column 2 of the table in paragraph 1 of Schedule A12 against the Progress Payment in question);

B = the aggregate number of Outlets to which, on the date of termination, Roll Out is required in order to trigger the entitlement of the Contractor to its next Progress Payment;

C = (a) the aggregate number of Outlets to which Roll Out was required in order to trigger the entitlement of the Contractor to its most recent Progress Payment under Schedule A12 (or which would have triggered such

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entitlement had the time in question not occurred prior to the date shown in Column 2 of the table in paragraph 1 of Schedule A12 against the Progress Payment in question); or

(b) where at the date of termination, Roll Out has occurred to less than 1,800 Outlets in aggregate, zero; and

D= £90 million.

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SCHEDULE A08- SUBCONTRACTORS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
4.0b	New Schedule to inroduce Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21/06/02

1. Pathway's Subcontractors, together with a description of their areas of responsibility, are listed in the following table.

SUBCONTRACTOR	RESPONSIBILITY
Energis Communications Limited	Provision of telecommunications lines and services.
The Escher Group Limited	- Post Office Counter Automation Network Software and Consultancy; - Design, development and support of RIPOSTE and WEBRiposte middleware.
Fujitsu Consulting Limited	Development and support of the data warehouse
Fujitsu Services Limited	Provision of maintenance services and Operational Business Change services for OPS hardware; Operation of Horizon System Help Desk and service management centre. Support of the Contractor's data warehouse MIS system, which records and stores transactions; Operation of TMS system and Client links network.
Hypercom Financial Terminals AB	PIN Pad design and development.
KnowledgePool Limited (formerly ICL Training Services Limited)	Provision of awareness and training courses for POCL staff.

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SCHEDULE A08- SUBCONTRACTORS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
4.0b	New Schedule to inroduce Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21/06/02

1. Pathway's Subcontractors, together with a description of their areas of responsibility, are listed in the following table.

SUBCONTRACTOR	RESPONSIBILITY
Energis Communications Limited	Provision of telecommunications lines and services.
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Fujitsu Consulting Limited	Development and support of the data warehouse
Fujitsu Services Limited	Provision of maintenance services and Operational Business Change services for OPS hardware; Operation of Horizon System Help Desk and service management centre. Support of the Contractor's data warehouse MIS system, which records and stores transactions; Operation of TMS system and Client links network.
Hypercom Financial Terminals AB	PIN Pad design and development.
KnowledgePool Limited (formerly ICL Training Services Limited)	Provision of awareness and training courses for POCL staff.

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SCHEDULE A10- ORDERING, INVOICING AND PAYMENT

Version reference	Reason for change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.4a	Applying CCN617 to 10.2, 10.3; CCN634 to 2.2	
1.4	Baseline copy of 1.4a	21 July 2000
2.0a	Applying CCN413b to 5.2	
2.0	Baseline of 2.0a	12 January 2001
3.0a	Applying CCN768 to 2.3 & 8.1;	
3.0	Baseline copy of 3.0a	19 September 2001
3.1a	Applying CCN903 to 4.5 & 9.1.iii	
4.0	New Schedule to introduce Network Banking Service	20/06/02

1. PURPOSE

1.1. This Schedule sets out the procedures for:

(a) the ordering of POCL Consumables;

(b) the ordering of Optional Products;

(c) the ordering of Optional POCL Services;

(d) the raising and issue of invoices by the Contractor for POCL Consumables, POCL Services and POCL Products;

(e) payment of all invoices by POCL.

1.2. POCL's preferred method of requesting the Contractor to provide an Optional POCL Service or an Optional Product shall be by written notification in accordance with Clause 202 or Clause 206 of the Codified Agreement. For those Optional POCL Services and Optional Products for which a price is set out or referred to in Part B of Schedule A12 of the Codified Agreement, such written notification shall be in the form of a purchase order raised in accordance with the procedures in this Schedule.

1.3. In the event of Additional POCL Services and Additional Products being identified, the Change Control Procedure shall apply.

2. AUTHORISED ORDERING POINTS

2.1. In the event that POCL shall in future exercise its option to obtain POCL Consumables from the Contractor, POCL shall inform the Contractor of the nominated ordering point(s) for ordering such POCL Consumables.

2.2. The ordering points for Operational Business Change shall be as set out in ICL Pathway/POCL Interface Agreement for Operational Business Change – Outlet; or

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ICL Pathway/POCL Interface Agreement for Operational Business Change – Product as appropriate.

2.3. The following nominated ordering points shall be authorised to place orders for other Optional POCL Services and for other Optional Products:

Head of Horizon Commercial, Post Office Counters Ltd., Calthorpe House, 15-20 Phoenix Place, London, WC1X 0DG

3. ORDERING

3.1. POCL shall be entitled to place purchase orders in respect of the following in accordance with this paragraph 3:

(a) for POCL Consumables pursuant to Clause 208;

(b) for Optional Products pursuant to Clause 206;

(c) for Optional POCL Services pursuant to Clause 202.

3.2. The Contractor shall only supply the items listed in paragraph 3.1 above in response to a purchase order raised by the nominated ordering points listed in, or notified for the purposes of, paragraph 2.

3.3. The purchase order shall be uniquely numbered and will contain the following information as a minimum:

(a) product code;

(b) product description;

(c) unit price;

(d) quantity required;

(e) order value (excluding VAT);

(f) date of order;

(g) order reference number;

(h) order originator;

(i) required delivery date/timetable;

(j) delivery point;

(k) invoice point.

3.4. The Contractor shall use reasonable endeavours to confirm receipt of the purchase order as soon as possible but in any event shall send to the relevant nominated

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ordering point of POCL written order confirmation of its receipt of the order within fourteen (14) calendar days from the time of its receipt.

3.5. The Contractor shall indicate on the order confirmation sent in accordance with paragraph 3.4 either:

(a) that the order will be actioned as stated;

(b) that the order will not be actioned as stated, and that the Contractor will therefore not meet its obligations under Clause 202, 206 or 208 as appropriate.

3.6. In the event that the Contractor indicates on the order confirmation that the order will not be actioned as stated, POCL may at its sole discretion by notice in writing to the Contractor agree to any amendment to the order proposed on the order confirmation, in which case any such amendment shall not constitute a breach of the Contractor's obligations under Clause 202, 206 or 208 (as appropriate). For the avoidance of doubt, no such amendment shall amend or change the Clauses or Schedules hereto, nor seek to exclude the general application of such Clauses and Schedules in relation to the order in question.

4. FREQUENCY AND TIMING OF INVOICES

4.1. The Contractor shall raise invoices for the provision of POCL Services charged for pursuant to Schedule A12 or otherwise under this Codified Agreement:

(a) in the case of each part of the Roll Out Payment, on or following the due date of that part of the Roll Out Payment; and

(b) in all other cases (save as provided in paragraph 4.5 of this Schedule), calendar monthly in arrears. For the purposes of this Schedule A10 each calendar month shall constitute an Invoicing Period and each Invoicing Period shall commence on the first (1st) day of the relevant calendar month and end on the last day of that calendar month.

4.2. Save for invoices for the Roll Out Payment (or part thereof), the Contractor shall submit invoices for POCL Services charged for pursuant to Schedule A12 or otherwise under the Codified Agreement to the relevant invoicing point within fourteen (14) calendar days of the end of the Invoicing Period.

4.3. The Contractor shall raise invoices for any Optional POCL Services or Optional Products for which a price is set out or referred to in Part B of Schedule A12 of the Codified Agreement, in accordance with the charging mechanism and payment schedule agreed for those particular Optional POCL Services or Optional Products.

4.4. The Contractor shall raise invoices for POCL Consumables following the acceptance of the POCL Consumables by POCL's designated delivery point.

4.5 The Contractor shall raise invoices and/or credit notes (as required) in accordance with paragraph 23 of Schedule A12 in respect of its Charges under the Network Banking CCNs and/or for its Charges for the NBS due on the date of approval by both parties of the CCN which introduces the NBS.

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4.6 Notwithstanding the above, invoicing in respect of further releases of Software to which Clause 301.10.1.2 applies shall be dealt with as agreed by the parties at the time.

5. INVOICE DESIGN

5.1. The Contractor shall invoice separately for POCL Services, POCL Consumables and Optional Products.

5.2. The Contractor shall only submit invoices which conform to the design specified in the CCD ICL Pathway Invoice Layouts (PA/PRP/002). The Contractor shall ensure that the invoice design conforms to the Customs and Excise requirements for VAT purposes. POCL may at any time require the invoices to be submitted in electronic form.

5.3. The Charges on each invoice shall be exclusive of VAT and the VAT shown as a separate amount and the prevailing rate expressed in percentage terms. The total sum payable inclusive of VAT must also be shown.

5.4. On POCL Service invoices, the Contractor shall separately identify the Charges for Core System Services, the NBS, the PIN Pad Implementation Service and each Optional POCL Service on each invoice raised.

5.5. The Contractor shall include, as a minimum, the following information on each POCL Service invoice submitted:

(a) invoice date;

(b) such purchase order number as may have been supplied by POCL to the Contractor;

(c) Invoicing Period;

(d) the Contractor's address and reference number for ACT purposes;

(e) the Contractor's VAT number

(f) the POCL invoice address;

(g) the total charge per POCL Service;

(h) Service Credits applied;

(i) discounts for early invoice settlement;

(j) other adjustments made.

5.6. The Contractor shall include, as a minimum, the following information on each Optional Product & POCL Consumables invoice submitted:

(a) invoice date;

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(b) the purchase order number;

(c) the Contractor's address and reference number for ACT purposes;

(d) the POCL invoice address;

(e) the delivery point;

(f) the delivery date;

(g) description of goods supplied;

(h) quantity of goods supplied

(i) unit price of goods supplied;

(j) total invoice value excluding VAT;

(k) VAT charged;

(l) total invoice value.

In addition, the Contractor shall provide to POCL together with such invoice, a goods received notice (GRN) in respect of the goods to which such invoice relates.

5.7. In addition to paragraph 5.5, the Contractor shall include, as a minimum, on each invoice for Operational Business Change those additional invoice details set out in the Operational Business Change Catalogue.

6. APPLICATION OF SERVICE CREDITS

6.1. Each Invoice in respect of Charges payable under Schedule A12 or otherwise pursuant to the Codified Agreement shall be calculated as follows:

(a) calculate the gross Charges due in respect of the period to which the Invoice relates; then

(b) adjust for any remedies due to POCL in accordance with Clause 802.2 of the Codified Agreement; then

(c) adjust for any credits due to POCL and for any remedies carried forward from previous invoices in accordance with paragraph 6.2.

6.2. In the event that remedies due in respect of any Invoicing Period equal or exceed the gross Charges for that Invoicing Period, then POCL shall make no payment in respect of the invoice relating to that Invoicing Period. Unless POCL exercises its option under Clause 802.2 of the Codified Agreement to recover liquidated damages as a payment to it, then any balance of remedies due to POCL shall be carried forward and the adjustment to the first and subsequent interim invoices in respect of the following Invoicing Period shall take account of such carried forward remedies.

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7. FINAL YEAR RETENTION

7.1. For the penultimate and pre-penultimate invoices in the final quarter of the Codified Agreement, the Contractor shall:

(a) submit to POCL documentation supporting 100% (one hundred percent) of the Charges payable in accordance with this Schedule; and

(b) submit to POCL an invoice equal to 80% (eighty percent) of the Charges calculated in accordance with sub-paragraph (a) above.

This paragraph 7.1 shall not apply in respect of the Charges in the table in paragraph 17.3.2 of Schedule A12 which shall not be included in the Charges for the purposes of (a) above and shall be invoiced in full when due.

7.2. POCL shall pay to the Contractor the value of the invoice submitted in accordance with sub-paragraph 7.1(b) plus VAT at the prevailing rate.

7.3. The final invoice for the final Financial Year of the Codified Agreement shall include:

(a) a calculation of all moneys outstanding to the Contractor (including the retentions referred to in paragraph 7.1(b));

(b) less any adjustments in respect of discounts and remedies;

(c) plus an amount equal to interest on the amounts retained pursuant to paragraph 7.1 at a rate per annum equal to LIBOR plus 1 per cent for the periods of the retentions;

(d) plus VAT at the prevailing rate.

7.4. POCL shall pay to the Contractor the value of the invoice submitted in accordance with paragraph 7.3.

8. INVOICING POINT

8.1. The Contractor shall submit invoices relating to POCL Services to the following address:

The Horizon Commercial Manager, Post Office Counters Ltd., Calthorpe House, 15-20 Phoenix Place, London, WC1X 0DG.

8.2. The Contractor shall submit invoices relating to Optional Products and POCL Consumables to the following address:

The Invoice Matching Section, Chetwynd House, Chesterfield, Derbyshire. S49 1PF.

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9. PAYMENT OF INVOICES

9.1. The Horizon Commercial Manager shall review the invoices and shall authorise valid invoices for payment.

9.2. Payment of Charges in relation to the POCL Services performed hereunder shall be made:

i. in the case of each Progress Payment, by the later of (a) thirty days of that Progress Payment falling due and (b) twenty-three days after receipt by POCL (at its nominated address for invoices) of a valid invoice for that Progress Payment;

ii. in the case of that part of the Roll Out Payment of £68 million payable on CSR Acceptance of the Core System pursuant to paragraph 1 of Schedule A12, by the later of (a) thirty days of such payment falling due and (b) twenty-three days after receipt by POCL (at its nominated address for invoices) of a valid invoice for such payment;

iii. in the case of payments to which Clause 301.10.1.2 applies, as agreed by the parties at the time; and

iv. in the case of other amounts, within thirty days after receipt by POCL (at its nominated address for invoices) of a valid invoice for such amounts.

9.3. Payments will be made by POCL to the Contractor by Automated Credit Transfer (ACT) unless otherwise specified by POCL.

10. DISPUTES ARISING FROM INVOICES

10.1. In the event of any dispute arising from an invoice submitted by the Contractor to POCL, then the Contractor and POCL will make reasonable endeavours to resolve the dispute within fifteen (15) calendar days of the invoice date.

10.2. If the dispute is not resolved within fifteen (15) calendar days of the invoice date, either the Contractor or POCL may escalate the dispute to the Contractor's Contract Manager or to the POCL Horizon Commercial Manager respectively for discussion at the next meeting of the Contract Administration Board which meeting may be convened by either party on seven days' notice. In such cases the party escalating the dispute shall inform the other that the invoice dispute is to be discussed at the meeting.

10.3. In the event that an invoice dispute cannot be resolved via Contract Administration Board meeting, either party to the dispute may invoke the Dispute Resolution Procedure set out in Clause 807.

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SCHEDULE A10- ORDERING, INVOICING AND PAYMENT

Version reference	Reason for change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.4a	Applying CCN617 to 10.2, 10.3; CCN634 to 2.2	
1.4	Baseline copy of 1.4a	21 July 2000
2.0a	Applying CCN413b to 5.2	
2.0	Baseline of 2.0a	12 January 2001
3.0a	Applying CCN768 to 2.3 & 8.1;	
3.0	Baseline copy of 3.0a	19 September 2001
3.1a	Applying CCN903 to 4.5 & 9.1.iii	
4.0	New Schedule to introduce Network Banking Service	20/06/02

1. PURPOSE

1.1. This Schedule sets out the procedures for:

(a) the ordering of POCL Consumables;

(b) the ordering of Optional Products;

(c) the ordering of Optional POCL Services;

(d) the raising and issue of invoices by the Contractor for POCL Consumables, POCL Services and POCL Products;

(e) payment of all invoices by POCL.

1.2. POCL's preferred method of requesting the Contractor to provide an Optional POCL Service or an Optional Product shall be by written notification in accordance with Clause 202 or Clause 206 of the Codified Agreement. For those Optional POCL Services and Optional Products for which a price is set out or referred to in Part B of Schedule A12 of the Codified Agreement, such written notification shall be in the form of a purchase order raised in accordance with the procedures in this Schedule.

1.3. In the event of Additional POCL Services and Additional Products being identified, the Change Control Procedure shall apply.

2. AUTHORISED ORDERING POINTS

2.1. In the event that POCL shall in future exercise its option to obtain POCL Consumables from the Contractor, POCL shall inform the Contractor of the nominated ordering point(s) for ordering such POCL Consumables.

2.2. The ordering points for Operational Business Change shall be as set out in ICL Pathway/POCL Interface Agreement for Operational Business Change – Outlet; or

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ICL Pathway/POCL Interface Agreement for Operational Business Change – Product as appropriate.

2.3. The following nominated ordering points shall be authorised to place orders for other Optional POCL Services and for other Optional Products:

Head of Horizon Commercial, Post Office Counters Ltd., Calthorpe House, 15-20 Phoenix Place, London, WC1X 0DG

3. ORDERING

3.1. POCL shall be entitled to place purchase orders in respect of the following in accordance with this paragraph 3:

(a) for POCL Consumables pursuant to Clause 208;

(b) for Optional Products pursuant to Clause 206;

(c) for Optional POCL Services pursuant to Clause 202.

3.2. The Contractor shall only supply the items listed in paragraph 3.1 above in response to a purchase order raised by the nominated ordering points listed in, or notified for the purposes of, paragraph 2.

3.3. The purchase order shall be uniquely numbered and will contain the following information as a minimum:

(a) product code;

(b) product description;

(c) unit price;

(d) quantity required;

(e) order value (excluding VAT);

(f) date of order;

(g) order reference number;

(h) order originator;

(i) required delivery date/timetable;

(j) delivery point;

(k) invoice point.

3.4. The Contractor shall use reasonable endeavours to confirm receipt of the purchase order as soon as possible but in any event shall send to the relevant nominated

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ordering point of POCL written order confirmation of its receipt of the order within fourteen (14) calendar days from the time of its receipt.

3.5. The Contractor shall indicate on the order confirmation sent in accordance with paragraph 3.4 either:

(a) that the order will be actioned as stated;

(b) that the order will not be actioned as stated, and that the Contractor will therefore not meet its obligations under Clause 202, 206 or 208 as appropriate.

3.6. In the event that the Contractor indicates on the order confirmation that the order will not be actioned as stated, POCL may at its sole discretion by notice in writing to the Contractor agree to any amendment to the order proposed on the order confirmation, in which case any such amendment shall not constitute a breach of the Contractor's obligations under Clause 202, 206 or 208 (as appropriate). For the avoidance of doubt, no such amendment shall amend or change the Clauses or Schedules hereto, nor seek to exclude the general application of such Clauses and Schedules in relation to the order in question.

4. FREQUENCY AND TIMING OF INVOICES

4.1. The Contractor shall raise invoices for the provision of POCL Services charged for pursuant to Schedule A12 or otherwise under this Codified Agreement:

(a) in the case of each part of the Roll Out Payment, on or following the due date of that part of the Roll Out Payment; and

(b) in all other cases (save as provided in paragraph 4.5 of this Schedule), calendar monthly in arrears. For the purposes of this Schedule A10 each calendar month shall constitute an Invoicing Period and each Invoicing Period shall commence on the first (1st) day of the relevant calendar month and end on the last day of that calendar month.

4.2. Save for invoices for the Roll Out Payment (or part thereof), the Contractor shall submit invoices for POCL Services charged for pursuant to Schedule A12 or otherwise under the Codified Agreement to the relevant invoicing point within fourteen (14) calendar days of the end of the Invoicing Period.

4.3. The Contractor shall raise invoices for any Optional POCL Services or Optional Products for which a price is set out or referred to in Part B of Schedule A12 of the Codified Agreement, in accordance with the charging mechanism and payment schedule agreed for those particular Optional POCL Services or Optional Products.

4.4. The Contractor shall raise invoices for POCL Consumables following the acceptance of the POCL Consumables by POCL's designated delivery point.

4.5 The Contractor shall raise invoices and/or credit notes (as required) in accordance with paragraph 23 of Schedule A12 in respect of its Charges under the Network Banking CCNs and/or for its Charges for the NBS due on the date of approval by both parties of the CCN which introduces the NBS.

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4.6 Notwithstanding the above, invoicing in respect of further releases of Software to which Clause 301.10.1.2 applies shall be dealt with as agreed by the parties at the time.

5. INVOICE DESIGN

5.1. The Contractor shall invoice separately for POCL Services, POCL Consumables and Optional Products.

5.2. The Contractor shall only submit invoices which conform to the design specified in the CCD ICL Pathway Invoice Layouts (PA/PRP/002). The Contractor shall ensure that the invoice design conforms to the Customs and Excise requirements for VAT purposes. POCL may at any time require the invoices to be submitted in electronic form.

5.3. The Charges on each invoice shall be exclusive of VAT and the VAT shown as a separate amount and the prevailing rate expressed in percentage terms. The total sum payable inclusive of VAT must also be shown.

5.4. On POCL Service invoices, the Contractor shall separately identify the Charges for Core System Services, the NBS, the PIN Pad Implementation Service and each Optional POCL Service on each invoice raised.

5.5. The Contractor shall include, as a minimum, the following information on each POCL Service invoice submitted:

(a) invoice date;

(b) such purchase order number as may have been supplied by POCL to the Contractor;

(c) Invoicing Period;

(d) the Contractor's address and reference number for ACT purposes;

(e) the Contractor's VAT number

(f) the POCL invoice address;

(g) the total charge per POCL Service;

(h) Service Credits applied;

(i) discounts for early invoice settlement;

(j) other adjustments made.

5.6. The Contractor shall include, as a minimum, the following information on each Optional Product & POCL Consumables invoice submitted:

(a) invoice date;

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(b) the purchase order number;

(c) the Contractor's address and reference number for ACT purposes;

(d) the POCL invoice address;

(e) the delivery point;

(f) the delivery date;

(g) description of goods supplied;

(h) quantity of goods supplied

(i) unit price of goods supplied;

(j) total invoice value excluding VAT;

(k) VAT charged;

(l) total invoice value.

In addition, the Contractor shall provide to POCL together with such invoice, a goods received notice (GRN) in respect of the goods to which such invoice relates.

5.7. In addition to paragraph 5.5, the Contractor shall include, as a minimum, on each invoice for Operational Business Change those additional invoice details set out in the Operational Business Change Catalogue.

6. APPLICATION OF SERVICE CREDITS

6.1. Each Invoice in respect of Charges payable under Schedule A12 or otherwise pursuant to the Codified Agreement shall be calculated as follows:

(a) calculate the gross Charges due in respect of the period to which the Invoice relates; then

(b) adjust for any remedies due to POCL in accordance with Clause 802.2 of the Codified Agreement; then

(c) adjust for any credits due to POCL and for any remedies carried forward from previous invoices in accordance with paragraph 6.2.

6.2. In the event that remedies due in respect of any Invoicing Period equal or exceed the gross Charges for that Invoicing Period, then POCL shall make no payment in respect of the invoice relating to that Invoicing Period. Unless POCL exercises its option under Clause 802.2 of the Codified Agreement to recover liquidated damages as a payment to it, then any balance of remedies due to POCL shall be carried forward and the adjustment to the first and subsequent interim invoices in respect of the following Invoicing Period shall take account of such carried forward remedies.

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7. FINAL YEAR RETENTION

7.1. For the penultimate and pre-penultimate invoices in the final quarter of the Codified Agreement, the Contractor shall:

(a) submit to POCL documentation supporting 100% (one hundred percent) of the Charges payable in accordance with this Schedule; and

(b) submit to POCL an invoice equal to 80% (eighty percent) of the Charges calculated in accordance with sub-paragraph (a) above.

This paragraph 7.1 shall not apply in respect of the Charges in the table in paragraph 17.3.2 of Schedule A12 which shall not be included in the Charges for the purposes of (a) above and shall be invoiced in full when due.

7.2. POCL shall pay to the Contractor the value of the invoice submitted in accordance with sub-paragraph 7.1(b) plus VAT at the prevailing rate.

7.3. The final invoice for the final Financial Year of the Codified Agreement shall include:

(a) a calculation of all moneys outstanding to the Contractor (including the retentions referred to in paragraph 7.1(b));

(b) less any adjustments in respect of discounts and remedies;

(c) plus an amount equal to interest on the amounts retained pursuant to paragraph 7.1 at a rate per annum equal to LIBOR plus 1 per cent for the periods of the retentions;

(d) plus VAT at the prevailing rate.

7.4. POCL shall pay to the Contractor the value of the invoice submitted in accordance with paragraph 7.3.

8. INVOICING POINT

8.1. The Contractor shall submit invoices relating to POCL Services to the following address:

The Horizon Commercial Manager, Post Office Counters Ltd., Calthorpe House, 15-20 Phoenix Place, London, WC1X 0DG.

8.2. The Contractor shall submit invoices relating to Optional Products and POCL Consumables to the following address:

The Invoice Matching Section, Chetwynd House, Chesterfield, Derbyshire. S49 1PF.

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9. PAYMENT OF INVOICES

9.1. The Horizon Commercial Manager shall review the invoices and shall authorise valid invoices for payment.

9.2. Payment of Charges in relation to the POCL Services performed hereunder shall be made:

i. in the case of each Progress Payment, by the later of (a) thirty days of that Progress Payment falling due and (b) twenty-three days after receipt by POCL (at its nominated address for invoices) of a valid invoice for that Progress Payment;

ii. in the case of that part of the Roll Out Payment of £68 million payable on CSR Acceptance of the Core System pursuant to paragraph 1 of Schedule A12, by the later of (a) thirty days of such payment falling due and (b) twenty-three days after receipt by POCL (at its nominated address for invoices) of a valid invoice for such payment;

iii. in the case of payments to which Clause 301.10.1.2 applies, as agreed by the parties at the time; and

iv. in the case of other amounts, within thirty days after receipt by POCL (at its nominated address for invoices) of a valid invoice for such amounts.

9.3. Payments will be made by POCL to the Contractor by Automated Credit Transfer (ACT) unless otherwise specified by POCL.

10. DISPUTES ARISING FROM INVOICES

10.1. In the event of any dispute arising from an invoice submitted by the Contractor to POCL, then the Contractor and POCL will make reasonable endeavours to resolve the dispute within fifteen (15) calendar days of the invoice date.

10.2. If the dispute is not resolved within fifteen (15) calendar days of the invoice date, either the Contractor or POCL may escalate the dispute to the Contractor's Contract Manager or to the POCL Horizon Commercial Manager respectively for discussion at the next meeting of the Contract Administration Board which meeting may be convened by either party on seven days' notice. In such cases the party escalating the dispute shall inform the other that the invoice dispute is to be discussed at the meeting.

10.3. In the event that an invoice dispute cannot be resolved via Contract Administration Board meeting, either party to the dispute may invoke the Dispute Resolution Procedure set out in Clause 807.

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SCHEDULE A12- CHARGING MECHANISM

Version reference	Reason for change	Frozen/issue date
1.0	Original signed version (reformatted)	28 July 1999
1.2a	Applying CCN202b to 10.1; CCN433b to 10.2; CCN560 to 1.1, Annex 1 Part A, Annex 1 Part B	
1.2b	Modifying A12V12a to take account of the achievement of 1800+ implementations – reverting para 1.1; Modifying CCN202b changes to 10.1, Applying CCN202b to para 15	
1.2	Baseline copy of 1.2b	30 November 1999
1.3a	Applying CCN570a to Annex 5; CCN571 to section 5	
1.3	Baseline copy of 1.3a	30 March 2000
1.4a	Applying CCN568d to 7.3, 8.3; CCN612 to 8.2, 8.3, 10.1, 13, 14, 15; CCN 619 to 8.1, 12, Table Annex 5	
1.4b	Re-applying CCN570a to row 9 of annex 5 (CCN619 allowed that this should be re-applied)	
1.4c	Correcting typo in bullet 5 of note 1 of para 8.3 (CCN568d included typo). Making date style in table heading para 14 consistent	
1.4	Baseline copy of 1.4c	21 July 2000
2.0a	Applying CCN670 to section 15, section 16; CCN655a to 5.10.1- 5.10.4, Annex 1 & Annex 5;CCN679b to section 16.1	
2.0b	Adding in omitted words from CCN655a: Word adjustments in section 16.1 to clarify understanding of charges in CCN679b	
2.0	Baseline copy of 2.0b	12 January 2001
3.0a	Applying CCN722 to section 8.3; CCN733b to section 16.1; CCN756 to 8.2, 8.3, 10.1, 13, 14, 15 and 16; CCN761 to Annex 1	
3.0b	Rectifying typos in 8.3 and adding in details to 16.1 of CCNs 733b & CCN739	
3.0c	Amendments to 'Frequency of charge' column for CCN733b & CCN739 to read 'Annually in arrears'	
3.0	Baseline copy of 3.0c	19 September 2001
4.0a	Draft following teleconference on 20/06/02	21/06/02
4.0b	Draft following agreement to include Charges for work carried out pursuant to CCN 970a	25/06/02
4.0	To Introduce Network Banking Service	25 June 2002

PART A - CORE SYSTEM CHARGES

1. ROLL OUT PAYMENT

1.1. The Contractor shall be paid the Roll Out Payment subject to and in accordance with this Schedule. Of this Roll Out Payment, £480 million shall be paid in four equal Progress Payments (subject to paragraph 7.2 and to retention described below), one Progress Payment to become due on each of the dates set out in column 2 of the table below or, if later, upon achieving Roll Out to the cumulative number of Outlets set out against that date in column 1 and the final Progress Payment to become due in accordance with paragraph 4.3 of this Schedule A12.

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1. Cumulative number of Outlets in the Roll Out Programme	2. Date
1,800	1/11/1999
5,590	1/5/2000
10,680	1/11/2000

1.2. The remaining £68 million of the Roll Out Payment (in addition to the £480 million described above) will be payable to the Contractor in accordance with Schedule A10 on CSR Acceptance.

1.3. A retention of 25% shall be withheld from each Progress Payment (prior to the application of paragraph 7.2 below).

2. FIRST AVAILABILITY FEE

2.1. Upon the later of (i) approval by the Release Authorisation Board of CSR+ and (ii) 1 January, 2001, the sums retained on the first two Progress Payments (the "First Retention Sum") shall be converted into an availability fee (the "First Availability Fee") to be paid as described below.

2.2. At the end of each calendar month following conversion of the First Retention Sum, POCL shall (subject to paragraph 3.3 below) be due to pay to the Contractor in respect thereof an amount equal to the First Retention Sum divided by the lesser of 48 and the number of months from the date of such conversion to 31 March 2005 until the full amount of the First Retention Sum is paid.

3. SECOND AVAILABILITY FEE

3.1. Following the end of the first period of three consecutive months occurring after the CS Completion Date during which in each month the Contractor shall have achieved Service Levels which relate to the performance (as opposed to the operation) of the Core System which exceed the Termination Review Thresholds (as referred to in Schedule A06) the sums retained on the third and fourth Progress Payments (the "Second Retention Sum") shall be converted into a further availability fee (the "Second Availability Fee") to be paid as described below.

3.2. At the end of each calendar month following such conversion of the Second Retention Sum, POCL shall (subject to paragraph 3.3 below) be due to pay to the Contractor in respect thereof an amount equal to the Second Retention Sum divided by the lower of 48 and the number of months from the date of such conversion to 31 March 2005 until the full amount of the Second Retention Sum is paid.

3.3. If in the event that after nine months following the CS Completion Date, completion of National Roll Out (by reference to the Roll Out Programme as the same may be amended through change control) has not been achieved, then retentions from the First and Second Availability Fees will be made in accordance with paragraph 3.4 below.

3.4. The amount of the retention to be made pursuant to paragraph 3.3 from each monthly payment in respect of the First and Second Availability Fees shall be whichever is the lesser of:-

3.4.1 the whole of the monthly payment; and

3.4.2 such amount as would bring the total amount withheld to the Relevant Percentage of £19 million.

3.5. If, on any date on which payment of any monthly payment in respect of any Availability Fee shall be due, the net amount of all retentions made pursuant to paragraph 3.4 less those released pursuant to this paragraph 3.5 exceeds the Relevant Percentage of £19 million then POCL shall on that date refund to the Contractor the difference.

3.6. For the purpose of this paragraph 3, "Relevant Percentage" shall mean, in respect of any date when any monthly payment in respect of any Availability Fee shall be due, a percentage equal to the

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number of Outlets remaining to be installed as at close of business on the day falling five business days prior to that date, expressed as a percentage of the number of Outlets which remained to be installed, as at the CS Completion Date, in order to achieve National Roll Out.

3.7. Upon completion of National Roll Out the remaining balance of the amounts retained pursuant to paragraph 3.3 shall be released in full to the Contractor.

4. PROGRESS PAYMENTS

4.1. All Progress Payments to the Contractor will be made in accordance with Schedule A10.

4.2. In the event that Acceptance of the Core System is delayed as a result of the Default of POCL then payment of the next Progress Payment following the delay will be adjusted in accordance with Clause 606.2 of the Codified Agreement .

4.3. The final Progress Payment will be due on the date of completion of National Roll Out or, if National Roll Out has not been completed by 31 March, 2001, on the later of 31 March, 2001 and the CS Completion Date.

4.4. In the event that, as a result of the Default of POCL, any date in the Roll Out Programme is not met then the relevant Progress Payments will be adjusted in accordance with Clause 606.2 of the Codified Agreement.

4.5. For the avoidance of doubt, transition costs associated with converting existing Benefits Agency customers with benefit payment cards back to order books have not been taken into account in calculating the charges set out in this Schedule.

5. OPERATING PAYMENTS

5.1. For the purposes of this paragraph 5:

"**Actual Periodic Payment**" means, in respect of any Operating Fee Period, the aggregate of all Monthly Operating Fees actually paid or payable by POCL in respect of that Operating Fee Period after taking account of all permitted non-payments, reductions and adjustments accrued in respect of that Operating Fee Period under paragraphs 5.5, 5.6 and 5.9 of this Schedule A12;

"**Adjustment Amount**" means, in respect of each Operating Fee Period, an amount equal to the difference between the Actual Periodic Payment for that Operating Fee Period and the Adjusted Periodic Payment for that Operating Fee Period;

"**Adjusted Periodic Payment**" means, in respect of each Operating Fee Period, the RPI Base Adjusted Amount for that Operating Fee Period multiplied by the RPI Factor for that Operating Fee Period;

"**Monthly Operating Fee**" has the meaning ascribed thereto in paragraph 5.3 below;

"**Operating Fee Period**" means each of the periods contained in column 1 of the table set out in paragraph 5.2 below;

"**Projected Periodic Payment**" means, in respect of each Operating Fee Period, the amount set out against that Operating Fee Period in column 2 of the table set out in paragraph 5.2 below;

"**RPI Base Adjusted Amount**" means, in respect of each Operating Fee Period, the RPI Base Amount for that Operating Fee Period multiplied by the RPI Base Adjustment Factor.

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"RPI Base Adjustment Factor" means, in respect of each Operating Fee Period, A divided by B where:

A = the Actual Periodic Payment for that Operating Fee Period; and

B = the Projected Periodic Payment for that Operating Fee Period;

"RPI Base Amount" means, in respect of each Operating Fee Period, the amount set out against that Operating Fee Period in column 3 of the table set out in paragraph 5.2 below;

"RPI Factor" means, in respect of each Operating Fee Period, a percentage equal to the sum of:

(i) 100%; plus

(ii) the difference, expressed as a percentage of 163.7, between the level of RPI in respect of the RPI Reference Month for May, 1999 (163.7) and the level of RPI in respect of the RPI Reference Month for the last month in that Operating Fee Period;

"RPI Reference Month" means, in respect of any month, the month commencing three calendar months before the beginning of that month (so that, for example, the RPI Reference Month for December, 2001 shall be September, 2001); and

"87% Date" means the date on which Roll Out shall have taken place in 87 per cent. of all Outlets then planned to be installed under Part A of the Roll Out Programme (as updated from time to time pursuant to the Change Control Procedure).

5.2. The Table

1. Operating Fee Period	2. Projected Periodic Payment	3. RPI Base Amount
1/4/2001 - 31/12/2001	£63.0m	£59.1m
1/1/2002 - 31/12/2002	£85.0m	£77.8m
1/1/2003 - 31/12/2003	£87.0m	£77.7m
1/1/2004 - 31/12/2004	£81.0m	£70.6m
1/1/2005 - 31/3/2005	£21.0m	£18.1m

5.3. In addition to the Roll Out Payment referred to in paragraph 1 above, subject to the remaining sub-paragraphs of this paragraph 5, further payments with respect to operating the Core System (the "Monthly Operating Fee") shall be made on a monthly basis from 1 April, 2001 in accordance with this paragraph 5. Subject to adjustment pursuant to paragraphs 5.5 to 5.9 of this Schedule A12, the Monthly Operating Fee in respect of each Operating Fee Period shall be calculated by dividing the Projected Periodic Payment for that Operating Fee Period by the number of months in that Operating Fee Period.

5.4. The Monthly Operating Fee shall be payable in accordance with Schedule A10.

5.5. If by 31 March, 2001 the CS Completion Date shall not have been achieved but the 87% Date shall have been achieved then in respect of each month which falls before the CS Completion Date the Monthly Operating Fee shall be reduced by multiplying it by the fraction equal to the number of Outlets in respect of which Roll Out shall have taken place by the end of that month divided by the number of Outlets in respect of which Roll Out is required in order for the CS Completion Date to be achieved.

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5.6. If by 31 March, 2001 the 87% Date shall not have been achieved then the Monthly Operating Fee shall not commence until the month in which the 87% Date is achieved.

5.7. For the avoidance of doubt, reimbursement to the Contractor of all operating and maintenance costs incurred prior to the Monthly Operating Fee becoming payable is included within the Roll Out Payment referred to above.

5.8. The Projected Periodic Payments assume an RPI of 2.5% per annum from 24th May, 1999 until 31st March, 2005. In the event that RPI is not equal to 2.5% per annum over this period the Monthly Operating Fee shall be subject to adjustment at the end of each Operating Fee Period as follows:

5.8.1 Prior to issue of the invoice relating to the Monthly Operating Fee payable in respect of the final month in each Operating Fee Period the Contractor shall calculate:-

(a) the Actual Periodic Payment in respect of that Operating Fee Period;

(b) the RPI Factor in respect of that Operating Fee Period;

(c) the RPI Base Adjusted Amount in respect of that Operating Fee Period;

(d) the Adjusted Periodic Payment in respect of that Operating Fee Period; and

(e) the Adjustment Amount in respect of that Operating Fee Period

and shall, with the invoice for that final month, send to the Horizon Commercial Manager at POCL details of those calculations.

5.8.2 If in respect of any Operating Fee Period the Adjusted Periodic Payment is greater than the Actual Periodic Payment then the Monthly Operating Fee in respect of the final month in that Operating Fee Period shall be increased by an amount equal to the Adjustment Amount for that Operating Fee Period.

5.8.3 If in respect of any Operating Fee Period the Adjusted Periodic Payment is less than the Actual Periodic Payment then the Monthly Operating Fee in respect of the final month in that Operating Fee Period shall be reduced by an amount equal to the Adjustment Amount for that Operating Fee Period.

5.9. The parties acknowledge that with effect from the CS Completion Date the Monthly Operating Fee includes:

(i) a Transaction volume cost element of 7%, which is based upon the Transaction volume forecast as set out in Annex 2 to this Schedule; and

(ii) an Outlet cost element of 32%, which is based upon the parties' intention that the Contractor will roll out the Core System to 18,527 Outlets.

The amount of the Transaction volume cost element shall be adjusted for each month by multiplying it by the proportion which the actual Transaction volume (calculated in accordance with Annex 3 to this Schedule 4) in respect of that month bears to the Transaction volume forecast in respect of that month (ascertained by dividing by 12 the annual forecast for the relevant year set out in Annex 2 to this Schedule A12).

The Outlet cost element shall be adjusted for each month by multiplying it by the proportion which the average number of Outlets to which Roll Out had occurred during that month (calculated by adding the number of Outlets to which Roll Out had occurred on the last day of that month to the number to which Roll Out had occurred on the last day of the immediately preceding month (after deducting in each case all Outlets to which Roll Out shall have occurred but which shall have subsequently closed or ceased to be automated at the relevant time) and dividing by two) bears to 18,527.

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5.10.1 Those Outlets which as at 15 September 2000 are included in the Roll Out Programme and have been made ready for installation ("RFI") but which are subsequently closed shall be removed from the Programme, such removal to be applied to Part A of Annex 1 to this Schedule as follows. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part A following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part A from the agreed baseline date.

5.10.2 Those Outlets which as at 15 September 2000 are included in the Roll Out Programme but which are closed before being made ready for installation shall be removed from the Programme, such removal to be applied as a reduction to Part B of Annex 1 to this Schedule as follows. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part B following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part B from the agreed baseline date.

5.10.3 The number of RFI'd Outlets in Part A of the Roll Out Programme suspended by POCL after 15 September 2000 in excess of the quota allocated to POCL for this purpose (calculated as described below) shall be removed from Part A and added to Part B of the Roll Out Programme. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part A following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part A from the agreed baseline date. The Outlets shall be added on a pro-rata basis to each of the weeks in Part B following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be added as a percentage of the current number of Outlets in Part B from the agreed baseline date. The quota allocated to POCL for this purpose shall be calculated for each week in question as:

(number of Outlets scheduled for installation in that week – number of Outlets planned for installation in that week) x [64%].

5.10.4 Those pre-RFI Outlets which are suspended by POCL after 15 September 2000 shall remain in Part B of the Roll Out Programme provided that they are released by POCL into the Programme in accordance with paragraph 5.10.8 as Fully Compliant Outlets.

5.10.5 In respect of the following Outlets, Roll Out shall take place under the Operational Business Change regime (subject to paragraph 5.10.6), namely:-

(a) those Outlets in Part B of the Roll Out Programme; and

(b) those Outlets in Part A of the Roll Out Programme which for reasons other than POCL withdrawal or suspension from the Programme cannot be installed prior to 12 March, 2001. For the avoidance of doubt such Outlets shall continue to be regarded as Part A Outlets for Roll Out milestone purposes.

5.10.6 The cost of installation of Outlets as Operational Business Change as referred to in paragraph 5.10.5 is included in the Roll Out Payment (but without prejudice to the provisions of paragraph 6.1 of, and Annex 4 to, this Schedule A12) and shall be disregarded for the purposes of calculating other charges payable from time to time in respect of Operational Business Change, except, in each case, where the work carried out in respect of the Outlet takes place after the end of the week commencing 14 June, 2001 (other than where the delay in carrying out such work arises as a result of Default by the Contractor or where such outlet requires a Mobile Counter Configuration which had not been made available by the Contractor to the reasonable satisfaction of POCL). Where the aforesaid exception applies the Contractor may be required to carry out the relevant work as Operational Business Change but subject to the normal Operational Business Change charges applicable to that work.

5.10.7 Subject to paragraph 5.10.8, Outlets which are transferred to the Operational Business Change regime under paragraph 5.10.5 shall be taken into account in calculating the total number of Outlets at which installation of counter equipment is to take place for the purpose of determining whether POCL is entitled to make a retention, or required to refund any retention, under paragraph 3 of Part A of Schedule A12.

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5.10.8 Where pursuant to paragraph 5.10.3 above an Outlet becomes subject to the Operational Business Change regime and by 30 June, 2001 POCL shall have failed to instruct the Contractor to schedule that Outlet for installation of counter equipment by 30 November, 2001 then (except where such failure is as a result of a Default by the Contractor or where such Outlet requires a Mobile Counter Configuration which shall not have been made available by the Contractor to the reasonable satisfaction of POCL):

(a) that Outlet shall cease to be taken into account in calculating the number of Outlets requiring to be installed for the purpose of determining whether POCL is entitled to make a retention, or required to refund any retention, under paragraph 3 of Part A of Schedule A12; and

(b) the Contractor shall not be obliged to carry out the installation of counter equipment in that Outlet under paragraph 5.10.6 above, but may be required to do so as Operational Business Change, subject to the normal Operational Business Change charges applicable to that work.

5.11. The above Charges are based on the POCL Services comprised in the Core System Release. For the avoidance of doubt the payments cover all the Contractor's costs relating to all aspects of the Core System, including without limitation maintenance of the POCL Service Infrastructure, help desk support, all telecoms charges including line costs and usage charges, and Management Information Systems.

6. INFRASTRUCTURE PROGRAMME IN OUTLETS

6.1. In respect of the cost of site preparations in and modifications to Outlets, the Contractor and POCL have agreed (i) a budget and contributions thereto and (ii) the allocation of responsibility as to which party is to bear the cost of actual costs exceeding budget costs as set out in Annex 4 to this Schedule.

6.2. In addition the Contractor will provide flat screens in all non-crown post offices for no additional charge.

6.3. The reasonable costs of maintaining power supply at National Lottery node post offices are to be borne by the Contractor.

7. IN OFFICE DATA MIGRATION AND TRAINING CREDIT

7.1. POCL and the Contractor shall comply with their respective obligations in relation to in-office data migration set out in the Migration Specification.

7.2. In consideration for POCL agreeing to carry out the work referred to in paragraph 7.1 above:-

7.2.1 the first Progress Payment referred to in paragraph 1 of this Schedule A12 shall be reduced by £500,000 and each of the three subsequent Progress Payments shall be reduced by £1,500,000;

7.2.2 Pathway shall provide to POCL 25 training courses (excluding refresher courses) in accordance with the Migration Specification; and

7.2.3 Pathway shall provide to POCL 25 laptops in accordance with the Migration Specification.

7.3. Each training course in addition to the 25 training courses referred to in paragraph 7.2.2 which POCL may require Pathway to provide shall be charged at a rate of £6,345 per initial course and £1, 950per refresher course.

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7.4. Subject to paragraph 7.5, each laptop in addition to the 25 laptops referred to in paragraph 7.2.3 which POCL may require Pathway to provide shall be charged at a rate of £1,285 per laptop.

7.5. To the extent that POCL reasonably requires more than 25 laptops in order to comply with its obligations under paragraph 7.1 as a result of the distribution of ECCO + Outlets in the Roll Out Programme, then Pathway shall provide to POCL such additional laptops at no additional charge.

7.6. The Contractor shall provide training for POCL staff and sub-postmasters in the use of the Core System in accordance with CCN 286(d), as modified to take account of the removal of the Benefit Payment Card and to provide POCL with training to a value equivalent to the costs saved under CCN 286(d) as a result of the removal of the Benefit Payment Card.

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PART B - CHARGES FOR SERVICES AND PRODUCTS OTHER THAN CORE SYSTEM SERVICES

8. OPTIONAL POCL SERVICES

8.1. Operational Business Change

Subject to Clause 202 of the Codified Agreement, POCL shall pay for the cost of the Contractor carrying out Operational Business Change in excess of the limits set out in Annex 5 to this Schedule A12 on an incremental basis at marginal cost plus 10 per cent. Prices for such Services and for other Services which are to be treated as Operational Business Change shall be agreed by the parties as soon as practical in accordance with the principles set out in the Operational Business Change Catalogue.

8.2. Out of Hours Support (Site Visits)

Out of Hours Support (site visits) shall be charged at the hourly rates set out in the table below.

Period	Rate per person/hour From 01/01/2002 (RPI Baseline)
Outside to POCL Core Day	£61.76
Saturdays and Sundays	£72.98
Public holidays	£84.22
Call-out charge	£112.27

8.3. Training

Training provided by the Contractor in accordance with Schedule C01 paragraph 1(a) shall be charged at the following rates:-

Training			Charge from 01/01/2002 (RPI Baseline)	
Course	**Duration (Days)**	**No. of Delegates**	**Charge (Venue Incl.)**	**Charge (Venue not Incl.)**
Counter Managers	(1.5 days)	6	£1844.82	£1504.46
Counter Assistants	1	6	£1232.57	£999.95
ECCO+ Counter Assistants	1	6	£1232.57	£999.95
Combined CM/CA On-site	(1.5 days)	3	-	£751.226
Combined CM/CA in KPL Venue	(1.5 days)	6	£1844.82	-
Train the Trainer	5	6	£6819.40	£5005.80
Auditors	2	6	£2342.28	£1866.98
Auditors & Investigators	3	6	£3337.20	£2703.80
Counter Managers for RNMs	3	6	£2839.74	£2227.48
Counter Managers for HFSOs	3	12	£5460.96	£4229.40
* HFSO Refresher	1	12	£1950	£1548
* HFSO – MiMAN	4	12	£4898	£3314
* HFSO – MiECCO	1	12	£1447	£1051

* The courses marked * are fixed price and not related to the RPI baseline

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Notes:

1. The pricing given is based on a standard day rate, as can be seen from the congruence between courses of the same length. However, there is a variation in price, which is caused by the number of delegates and the number of the trainers needed to run the course. Specifics that vary the course price from the standard are as follows:

- The course handout is the same size for all courses (barring the Train the Trainer).
- Some courses require a higher skilled trainer to run them due to the subject matter (notably the Auditors, Auditor/Investigators and Train the Trainer courses).
- The handout on the Train the Trainer event is a full course kit (including script and OHP slides) rather than the standard workbook and is charged accordingly.
- The length of day of the Counter Assistants and ECCO+ Counter Assistants courses incurs an overtime payment for the trainers presenting the course. This payment is not needed for the longer duration courses.
- The standard day rate applies for courses of up to 6 delegates. Where a course allows more than 6 delegates, two trainers will be required to run the course. Two vans will also be required to transport the extra equipment required.
- Courses that have more than 6 delegates require larger classrooms, which are priced at a higher rate.

2. ICL Pathway will determine the venue to be used for these events. However, if Post Office Counters Limited wishes to recommend a suitable venue, we will make best efforts to use it as long as it meets the minimum criteria that ICL Pathway apply to training venues.

3. The specification of the laptop equipment to be used as part of HFSO training events is held as part of the standard training specification documents. The availability of laptop PC's is covered in Section 7.4 of Schedule A12 of the codified agreement.

4. The charges above for HFSO MiMAN and MiECCO courses reflect the charges laid out in Section 7.3 of Schedule A12 of the Codified Agreement. When the Codified Agreement was originally drawn up this training was envisaged as one course of 5 days duration, but has subsequently been split into two courses of 4 days and 1 days duration with the charge in 7.3 apportioned between them.

   The pricing for the HFSO courses takes into account the need for 2 trainers to attend each course. The pricing for the HFSO MiMAN and HFSO MiECCO courses is based on ICL Pathway's original proposal that a single ICL Pathway trainer would present the course, supported by a POCL expert. Therefore, the price is lower than the day rate indicated by the Counter Manager for HFSO and HFSO Refresher courses.

The prices quoted are per course and the number in the column titled "No of Delegates" indicates the maximum number of delegates. These prices assume that the courses are run during the standard working week (Monday to Friday, 9am - 6pm). It is also assumed that courses of more than one days duration are to be run on consecutive days and will not span across weekends.

9. POCL CLIENT SERVICES

The operational element of POCL Client Services provided by the Contractor shall be charged at the Contractor's marginal running costs.

10. ADDITIONAL POCL SERVICES

Charges for Additional POCL Services shall be as agreed between POCL and the Contractor from time to time.

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10.1. D104 Weigh Scales - connection service to Horizon platform

10.1.1. D104 scale successfully transferred to Horizon system at time of Horizon system installation
£31.22; or

D104 scale tested but found not to be working at Horizon system installation
£31.22

10.1.2. Subsequent visit to transfer D104 scale to existing Horizon system (charge per visit)
£102.84

10.1.3. The charges stated in 10.1.1 and 10.1.2 above are based on the certified 1Kg weight held by the subpostmaster being available.

10.1.4. Supply of second data cable for connection to two Horizon platforms:

- 1 to 1,000 second data cables — No Charge
- Over 1,000 (charge per cable) — £12.66

10.1.5. Supply thirty (30) 1 kilogram brass working standard weights supplied calibrated to M1 tolerance
£3,559.78

10.1.6. POCL shall give not less than one month's notice in writing that the Contractor is to provide the certified weights so that it will not impact the installation timetable.

10.1.7. Note that any cables supplied as part of any of the above services become the property and responsibility of POCL following the successful connection of the D104 weigh scales to the Horizon platform.

10.1.8. All charges in section 10.1 are from 1/1/2002 (RPI baseline).

10.2. Hardware Euro Capability

10.2.1. Carrying out by ICL Pathway of an analysis to identify needs for "Hardware Readiness": no charge.

10.2.2. Upgrade the firmware in Ithaca counter printers in the Contractor's stock (but not installed in Post Offices) so that they can print the Euro symbol (ε): £16.50 per printer upgraded, to a maximum of 18,307 printers.

10.2.3. Upgrade keyboards in the Contractor's stock (but not installed in Post Offices) so that they have a Euro symbol (ε) on one of the keys: £0.40 per keyboard upgraded, to a maximum of 18,000 keyboards.

10.2.4. In respect of the Additional POCL Services referred to in paragraphs 10.2.2 and 10.2.3 of this Schedule A12, the Contractor will invoice in arrears every fortnight commencing two weeks after the upgrade programme starts, with payment due 30 days after the date of invoice. Each invoice will be for upgrades that have actually been carried out by the date of the invoice.

11. CORE SYSTEM PRODUCTS

The costs of supply of Core System Products are included within the Charges referred to in Part A of this Schedule A12.

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12. OPTIONAL PRODUCTS

12.1 The Charges for Optional Products shall be the manufacturer's recommended list prices from time to time less the following discounts:-

Product	Discount
Back-office printer	20%
Counter printer	40%

12.2 The Contractor shall supply mobile configurations beyond the upper limit specified in Annex 5 to this Schedule A12 if requested by POCL with reasonable notice to allow the Contractor to convert fixed single position gateway configurations to mobile configurations. The supply of such additional configurations shall be instead of single position gateway configurations, such that the overall combined number of single position gateway configurations and mobile configurations shall be within the aggregate of limits of such systems as set out in row 5 to Annex 5 to this Schedule A12. The Contractor shall charge POCL £720 per mobile configuration beyond the limit specified in row 8 of Annex 5 to this Schedule A12.

13. ELECTRICAL WIRING

Electrical wiring carried out by the Contractor pursuant to Clause 406.2 of the Codified Agreement or in connection with Operational Business Change shall be charged in accordance with whichever of the following is the relevant measured term book for such work, plus 15 per cent.:-

- Luckins (latest edition)
- Trade Service Information (latest edition)
- Prestige ESP 5 Estimating Package.

Where such rates are not applicable, charges shall be calculated on a time and materials basis as follows:

Item	Charge from 01/01/2002 (RPI Baseline)
Electrical labour, normal working hours	£33.67 per hour
Materials	Cost to the CONTRACTOR's subcontractor plus 30%

14. TIME AND MATERIALS RATES

Wherever in the Codified Agreement or any of its schedules Services are to be supplied by the Contractor on a time and materials basis, unless expressly provided otherwise, the following rates will apply, a working day being classified as 09.00-17.30 Monday to Thursday and 09.00-17.00 on Friday:

Professional services	Rate per working day From 01/01/2002 (RPI Baseline)
Software Engineer	£841.00

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Project Manager	£1,009.00
Senior Consultant (1)	£1,346.00
Senior Consultant (2)	£1,776.00
Senior Management	£2,030.00

The above charges will be subject to discounts for continuous periods of at least six months, based on a five (5) day working week excluding public and bank holidays. Travel and subsistence will be chargeable separately.

Where further releases of Core System software are provided by the Contractor on the basis of appropriate time and material charges pursuant to Clause 301.10 of the Codified Agreement:

(a) POCL shall also reimburse to the Contractor all expenses directly incurred by the Contractor in connection with such further releases; and

(b) such charges shall be invoiced monthly in arrears.

15. ADJUSTMENT TO CHARGES

The Charges in paragraphs 8.2, 8.3, 10.1, 13 and 14, and in paragraph 16 where indicated within that paragraph, shown as being from 01/01/2002, shall be subject to increases with effect from 01/01/2003 and annually thereafter during the term of this Codified Agreement. Such increases will be capped at the percentage increase in RPI as measured by comparison to the RPI index of twelve months earlier e.g. the increase applied with effect from January 2003 would be capped at the difference between the All Items RPI Index at December 2001and December 2002 (the percentage increase to be applied shall be taken to two decimal places).

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16. CHARGES ARISING FROM THE CHANGE CONTROL PROCEDURE

16.1. From time to time as part of the Change Control Procedure, the parties may agree that other charges are applicable. Where a CCN introduces a non-recurring charge, the arrangements for the payment of that charge shall be as specified on the appropriate CCN, taking into account the appropriate provisions of this Codified Agreement. Where a CCN introduces a recurring charge over the term of the Codified Agreement (or such shorter period as may be specified on the CCN), the payment arrangements for that charge shall be incorporated into the table below. The notes column in the table below may be used to highlight other specific variations to standard charging provisions agreed as part of the CCN (e.g. a shorter period than the full term of the Codified Agreement).

CCN	Description of charge	Initial payment due	Frequency of charge	Periodic charge value (1/1/2002Baseline)	Indexation provision	Notes
CCN641a	Disaster recovery for Huthwaite Gateway:					
	• Equipment rental	Gateway agreed as ready for service	Quarterly in advance	£11,000	Not indexed	
	• Maintenance and support	Gateway agreed as ready for service	Quarterly in advance	£21,766.31	Subject to RPI	
CCN679b	Message Broadcast Service	After the first quarter following implementation of the service	Quarterly in arrears	£105.20 Fixed charge per message PLUS £0.036 variable charge per outlet per valid message. This charge has been discounted by 10% to £0.0324 on the basis that there are no SLAs applicable to this service and that there is no performance measurement or reporting other than the existing non-polled outlet report.	Subject to RPI	
CCN733b	Automated Payments Client Spec. for DVLNI					
CCN733b	Equipment maintenance &	Upon migration which was deemed to be	Annually in	£1,215.82	Not indexed	

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	ISDN rental	16.05.01	advance			
CCN733b	Administration & support	Upon migration which was deemed to be 16.05.01	Annually in arrears	£2,018.03	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN739	Introduce Standard Life As An AP Client With A Direct Connection To ICL Pathway.					
	Equipment maintenance & ISDN rental	Upon migration which was deemed to be 06.04.01	Annually in advance	£1,215.82	Not indexed	
	Administration & support	Upon migration which was deemed to be 06.04.01	Annually in arrears	£2,018.03	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN800	Connection to Girobank Disaster Recovery site					
	Equipment maintenance and ISDN rental	Gateway agreed as ready for service 01/09/01	Annually in advance	£1,126.73	No indexed	
	Administration and support	Gateway agreed as ready for service 01/09/01	Annually in arrears	£2,004.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates

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	Preparation and operation of regular test (max two per year)	Gateway agreed as ready for service 01/09/01	Annually in arrears	£10,020.00	Subject to PRJ	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN807	Changes to AP Client take-on and Token Verification services					
	Client Take on Facility	Upon start of service which was deemed to be April 2002	Quarterly in arrears	£6,888.75	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
	Client Take on (regression) Facility	Upon start of service which was deemed to be July 2002.	Quarterly in arrears	£2,755.50	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN832	Introduce Quantrill as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance and ISDN rental	Upon connection of Quantrill as an APS Client which was deemed to be 05/11/01	Annually in advance	£1,126.73	Not indexed	
	Administration and support	Upon connection of Quantrill as an APS Client which was deemed to be 05/11/01	Annually in arrears	£2,004.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer

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						manpower rates
CCN869b	Introduce AON Ltd as an APS Client with a Direct Interface to ICL Pathway.					
	Equipment maintenance	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in advance	£830.91	Not Indexed	
	Administration and support	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN872	Introduce ESP as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of ESP as an APS Client which was deemed to be 07/03/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of ESP as an APS Client which was deemed to be 07/03/02	Annually in advance	£830.91	Not Indexed	
	Administration and support	Upon connection of ESP as an APS Client which was deemed to	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred

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		be 07/03/02				for Software Engineer manpower rates
CCN895	Introduce National Savings as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of National Savings as a direct APS Client.	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of National Savings as a direct APS Client.	Annually in advance	£830.91	Not indexed	
	Administration and support	Upon connection of National Savings as a direct APS Client.	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN937	Introduce First Rate as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in advance	£830.91	Not Indexed	
	Administration and support	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer

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manpower rates

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PART C: NETWORK BANKING SERVICE CHARGES

17. NETWORK CHARGES

17.1 Types of Outlet

17.1.1 There are seven Outlet categories referred to in this paragraph 17 for network charging purposes, as follows:

(a) Bronze Service Outlet;

(b) Silver Part Time Service Outlet that seeks to use a Fixed Connection for each Banking Transaction (for which a Request is generated) occurring in that Outlet in the periods 08:30 to 10:30 Monday, 08:30 to 09:30 Tuesday and 08:30 to 09:30 Thursday. For the purposes of this paragraph 17, each such Outlet is referred to as "Type A";

(c) Silver Part Time Service Outlet, that seeks to use a Fixed Connection for each Banking Transaction (for which a Request is generated) occurring in that Outlet between 08:30 to 12:30 on Saturday. For the purposes of this paragraph 17, each such Outlet is referred to as "Type B";

(d) Silver Daytime Service Outlet that seeks to use a FRIACO Fixed Connection;

(e) Silver Daytime Service Outlet that seeks to use a non - FRIACO Fixed Connection;

(f) Silver 24 Hour Service Outlet that seeks to use a FRIACO Fixed Connection; and

(g) Silver 24 Hour Service Outlet that seeks to use a non - FRIACO Fixed Connection.

17.1.2 The allocation of Outlets between the categories identified in paragraph 17.1.1 of this Schedule A12 shall be made in accordance with paragraph 2.6 of Schedule N01 and subject to the additional constraint that the number of Silver Daytime Service Outlets seeking to use a FRIACO Fixed Connection in each calendar month shall not be less that 6000. There are no other limits or constraints upon the number of Outlets in each category imposed by this paragraph 17 for charging purposes.

17.2 Network Implementation Phase

17.2.1 The communications network required to support the NBS shall be implemented during the period 1 April 2002 to 31 January 2003 (inclusive) (the "Network Implementation Phase").

17.2.2 The Contractor's Charges for the communications network during the Network Implementation Phase shall be in accordance with the following table:

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Item	Unit Charge	Number of units	Total Charge: during Network Implementation Phase	Payments due
Bronze Service Outlet Charges	£27,777.78 per month in the Network Implementation Phase	9 months	£250,000.00	Payments of the Unit Charge for the number of units specified are due in accordance with paragraph 23 of this Schedule A12
Silver Daytime Service Outlets (FRIACO)	(a) £55,555.56 per month in the Network Implementation Phase; plus (b) £81 per month for each of the 1,350 FRIACO Ports provided in the Network Implementation Phase, being a monthly Charge of £121,500.00	9 months	£500,000.00; plus £1,093,500.00	Payments of the Unit Charge for the number of units specified are due in accordance with paragraph 23 of this Schedule A12
Installation of communication links to Data Centres	£166,500	One	£166,500	Payment due on 1 July 2002.
Total	-		**£2,010,000**	

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17.3 Network Service

17.3.1 The full communications network required to support the NBS shall be available from 1 February 2003 until expiry of this Codified Agreement or termination, if earlier.

17.3.2 With effect from 1 February 2003, the Contractor's Charges (fixed and variable elements) for the provision of the communications network shall be calculated by the Contractor (to reflect the monthly allocation of Outlets between categories pursuant to paragraph 17.1.2) in accordance with the following table:

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Outlet Type	Fixed Monthly Charges	Variable Monthly Charges
Bronze Service Outlets	£25,000 per month for all such Outlets, irrespective of the number of them.	2.5p per Banking Transaction initiated in such Outlets.
Silver Part Time Service Outlets (Type A and Type B)	£52.80 per month for each Type A Outlet; and £52.80 per month for each Type B Outlet.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets (Type A and Type B, as applicable).
Silver Daytime Service Outlets using FRIACO Fixed Connections	£50,000 per month for all such Outlets; plus either of the following whichever is applicable: (a) £81 per month per Outlet, if the total number of such Outlets is between 6000 and 10,000; or (b) £79 per month per Outlet, if the total number of such Outlets exceeds 10,000. The Charge in (a) or (b) above (whichever applies) shall be applicable to each of the Outlets making up the total number.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets.
Silver Daytime Service Outlet, using non –FRIACO Fixed Connections	£280 per month for each such Outlet.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets.
Silver 24 Hour Service Outlets using FRIACO Fixed Connections	£260 per month for each such Outlet.	No charge.
Silver 24 Hour Service Outlets using non- FRIACO Fixed Connections	£520 per month for each such Outlet.	No charge.

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17.3.3 The fixed elements of the Charges calculated in accordance with the table above shall become due for payment in accordance with paragraph 23 of this Schedule A12. The amount due for payment by POCL in respect of the variable elements of those Charges shall accrue due for payment on a daily basis, the daily increment reflecting the number of Banking Transactions initiated each day.

17.3.4 Banking Transactions shall not be taken into account when calculating EPOSS Transaction volumes for the purposes of paragraph 5.9 of this Schedule A12.

17.4 Implementation of network infrastructure

The Contractor's Charge for implementing the NBS communications network infrastructure shall be the fixed sum of £1,196,291.00, payable in monthly instalments commencing January 2002 as set out in Annex 6 to this Schedule A12.

17.5 Network Operating Charges

The Contractor's Charge for operating the NBS communications network, shall be the fixed sum of £5,032,188.00, payable in monthly instalments commencing August 2002 as set out in Annex 6 to this Schedule A12.

17.6 Network Hardware and Software

The Contractor's Charge for Hardware and Software required for the NBS communications network shall be the fixed sum of £1,107,653.00, payable in two instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and the second instalment shall become due on 1 July 2002, as specified in that Annex.

17.7 Communications Network

If at any time the parties consider that Energis Communications Limited ("Energis") may become insolvent:

17.7.1 they shall enter into good faith discussions to consider the appropriate course of action; and

17.7.2 the Contractor shall prepare a strategy document (the "Energis Strategy Document") for approval by POCL (such approval not to be unreasonably withheld). The Energis Strategy Document shall address steps to be taken by the parties for the replacement (or otherwise) of Energis as subcontractor where, as a result of an Insolvency Situation, Energis ceases to fulfil its obligations to the Contractor in respect of the communications network used in connection with the NBS and the Existing Services.

17.8 If as a result of an Insolvency Situation Energis fails to comply with its contractual obligations to the Contractor and/or Energis ceases to provide the elements of the communications network it has contracted with the Contractor to provide:

17.8.1 the parties shall implement such provisions of the Energis Strategy Document as may be applicable in the circumstances;

17.8.2 the Contractor shall use all reasonable endeavours as would be used by a party negotiating on its own account to procure on the best possible commercial terms a supplier or suppliers to replace Energis in providing the elements of the NBS communications network formerly provided by Energis (but shall not be required to enter into a contract with a supplier or suppliers save to the extent the parties agree to the appointment of a substitute supplier or suppliers in accordance with paragraph 17.8.4 below);

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17.8.3 the Contractor shall disclose to POCL:

(a) all such information relating to the charges proposed by any prospective replacement supplier; and

(b) a breakdown of the Energis charges in respect of the communications network current at the time of the Insolvency Situation

as the Contractor is permitted by the third party and Energis (as the case may be) to disclose (the Contractor having used all reasonable endeavours to procure that it is permitted by the third party and Energis to disclose to POCL such charging information); and

17.8.4 the parties shall agree through the Change Control Procedure:

(a) whether or not a substitute supplier or suppliers is to be appointed in respect of provision of the NBS communications network;

(b) any resultant changes in the Contractor's Charges which are to be paid by POCL in respect of the NBS communications network (whether due to the costs of terminating the contractual arrangements with Energis, transition to a substitute supplier or suppliers, the level of charges payable to the substitute supplier or suppliers or otherwise and having regard to the proportion of such costs and charges which relate to the Existing Services); and

(c) any changes required to the Codified Agreement.

17.9 The Contractor shall not be liable for any failure to achieve the NBS Service Levels or its obligations in respect of the NBS to the extent that it can show that the failure was due to Energis' ceasing to comply with its obligations to the Contractor and (where applicable) transition to new supplier or suppliers.

17.10 If and for so long as either party, acting reasonably, considers that Energis may become insolvent the Contractor shall use its continuing reasonable endeavours to procure that Energis consents to the release of the information referred to in Paragraph 17.8.3 (b) of this Schedule A12 in the event of an Insolvency Situation of Energis.

17.11 In the event that the parties agree through the Change Control Procedure that a replacement supplier will not be appointed in respect of the NBS communications network the Contractor shall be released from its obligations in respect of provision of the NBS network communications link and its obligations to achieve NBS Service Levels which can not be achieved as a result of the communications network no longer being supplied and/or Energis' ceasing to comply with its obligations to the Contractor due to an Insolvency Situation, such release to be documented through the Change Control Procedure.

17.12 Nothing in paragraph 17 of this Schedule A12 shall:

17.12.1 act to reduce or amend the obligation of the Contractor to provide the Existing Services on the terms of this Codified Agreement notwithstanding any insolvency of Energis; or

17.12.2 act to reduce or amend the liability of the Contractor under this Codified Agreement including without limitation in relation to the POCL Services, the NBS, the Existing Services or any Service Levels other than as set out in Paragraphs 17.9 and 17.11 of this Schedule A12.

17.13 The occurrence of an Insolvency Event of Energis shall not of itself entitle the Contractor to increase its Charges in respect of the Existing Services.

17.14 For the purpose of paragraph 17 of this Schedule A12:

17.14.1 "insolvency" in relation to Energis means:

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(a) the commencement of any procedure with a view to the winding-up or re-organisation of Energis (other than for the purpose of a solvent amalgamation or reconstruction);

(b) the appointment of an administrator, receiver, administrative receiver or trustee in bankruptcy in relation to Energis or all or substantially all of its assets;

(c) the holder of any security over all or substantially all of the assets of Energis taking any step to enforce that security; or

(d) all or substantially all of the assets of Energis becoming subject to attachment, sequestration, execution or any similar process; and

17.14.2 "Insolvency Situation" means actual, intended or potential insolvency.

18 DESIGN, DEVELOPMENT, TESTING AND IMPLEMENTATION OF THE NBS

18.1 T&M Work

18.1.1 The rates which shall be used to calculate:

(a) the Contractor's Charges for T&M Work including, without limitation, the following work:

(i) design, development and testing of the NBS;

(ii) development of software to support the NBS communications network;

(iii) PIN Pad development; and

(iv) remote PIN Pad key management development, and

(b) for the purposes of the T&M Budget for each T&M Work task in the NB Project Plan,

shall be as set out in the following table:

Professional Service Grade	Rate per working day
Software Engineer	£626.25
Project Manager	£751.50
Consultant 1	£1,002.75
Consultant 2	£1,323.00
Senior Management	£1,512.00

18.1.2 Subject to paragraph 18.1.3 of this Schedule A12, the Charges based on the table above shall be calculated on the basis that a working day is equivalent to 8 hours work by one individual, on whichever day of the week or at whatever time of day that work takes place. Having calculated the number of working days worked by an individual (by dividing the total number of hours worked by that individual by 8) the charges due in respect of any remaining period of less than 8 hours shall be the charge for the working day reduced pro rata.

18.1.3 All Contractor personnel who are identified in the organisational charts provided to POCL in accordance with paragraph 5.2 of Schedule N4 as holding manager or director positions or as

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being within the Contractor's Business Consultants Group shall be charged at no more than 8 hours per day (including days worked on weekends) and POCL shall not be charged overtime in respect of those personnel.

18.1.4. Subject to the T&M Budget, Contractor personnel other than those identified in paragraph 18.1.3 of this Schedule A12 may be charged to POCL for extended day working where such working is necessary to achieve the dates for achievement of tasks set out in the NB Project Plan.

18.1.5 Subject to paragraph 18.2.3 of this Schedule A12, the Contractor shall be entitled to invoice POCL and POCL shall pay for T&M Work up to the T&M Budget in respect of such work (as reallocated between tasks or increased in accordance with the provisions of Schedule N04) specified in or derived from the NB Project Plan.

18.1.6 To the extent that a Default by the Contractor causes additional T&M Work to be carried out by the Contractor which would not otherwise have been necessary (at any Level in the NB Project Plan) that work shall be carried out at the Contractor's cost.

18.1.7 Each of the rates specified in the table in paragraph 18.1.1 shall be subject to increases with effect from 1 January 2003 and annually thereafter during the term of this Codified Agreement. Such increase shall reflect the percentage increase in Retail Price Index as measured by comparison to the Retail Price Index of twelve months earlier (the percentage increase in Retail Price Index to be applied shall be taken to two decimal places).

18.2. T&M Work Payment Dates and Retention

18.2.1 The following events (each an "NB Event") relate to payments due to the Contractor for the provision of the NBS:

(a) NB Event 1 occurs upon the achievement of NBS Stage Progression from the NBS Testing Stage to the Full E2E Testing Stage, as defined in paragraph 3.2.1 of Schedule N02.

(b) NB Event 2 occurs upon achievement of NBS Acceptance as defined in 3.1 of Schedule N02, but cannot in any event occur before NB Event 1.

(c) NB Event 3 occurs upon the installation (for the first time) of the Software used for NB Event 2 (as updated at the time of installation) in all automated Counter Positions, mobile configurations (as described in row 8 of Annex 5 to Schedule A12) Admin Positions and trolley based solutions where the NBS is to be made available in accordance with paragraph 2.3 of Schedule N01.

18.2.2 The target dates for each NB Event (each a "Target Date") and other commercial dates are set out below. References in other provisions of this Schedule A12 to such Target Dates shall, be construed as references to such Target Dates as adjusted in accordance with the applicable provisions of Schedule N04 unless the original Target Date is expressly referred to. References to the Rate Reduction Date in this Codified Agreement shall be construed as references to the initial Rate Reduction Date given below, as adjusted in accordance with the applicable provisions of Schedule N4.

(a) The Target Date for NB Event 1 is 11th October 2002.

(b) The Target Date for commencement of NB Pilot (Soft Launch) is 13th January 2003.

(c) The Target Date for NB Event 2 is 7 February 2003.

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(d) The Target Date for NB Event 3 is 31st March 2003

(e) The initial Rate Reduction Date is 11th October 2002.

18.2.3 POCL shall retain a proportion of the value of all payments for T&M Work due to the Contractor as follows:

(a) Prior to NB Event 1 the proportion retained by POCL shall be 20% of the value of payments due to the Contractor for T&M Work carried out prior to NB Event 1. One half of the amount retained shall be allocated to Retention Pot 1, one quarter shall be allocated to Retention Pot 2, the remaining quarter shall be allocated to Retention Pot 3.

(b) Between NB Event 1 and NB Event 2, the proportion retained by POCL shall be 10% of the value of payments due to the Contractor for T&M Work carried out between NB Event 1 and NB Event 2. One half of the amount retained shall be allocated to Retention Pot 2, the remaining half shall be allocated to Retention Pot 3.

(c) Between NB Event 2 and NB Event 3, the proportion retained by POCL shall be 5% of the value of payments due to the Contractor for T&M Work carried out between NB Event 2 and NB Event 3. The amount retained shall be allocated to Retention Pot 3.

18.2.4 The sums held in each Retention Pot by POCL shall become due and payable to the Contractor as follows:

(a) upon the occurrence of NB Event 1, the sum held in Retention Pot 1 shall become due and payable to the Contractor;

(b) upon the earlier of occurrence of NB Event 2 and the date 3 calendar months after the commencement of NB Pilot (Soft Launch), the sum held in Retention Pot 2 shall become due and payable to the Contractor;

(c) upon the occurrence of NB Event 3, the sum held in Retention Pot 3 shall become due and payable to the Contractor, save that POCL shall be entitled to withhold one tenth of the value of Retention Pot 3 for each Medium Severity NBS Acceptance Incident still outstanding at that time, and POCL shall be entitled to withhold a further one tenth of the value of Retention Pot 3 should there be any Low Severity NBS Acceptance Incidents outstanding at that time;

(d) the sum withheld under (c) above in respect of each Medium Severity NBS Acceptance Incident shall become due and payable to the Contractor once that incident is rectified;

(e) the sum withheld under (c) above in respect of all Low Severity NBS Acceptance Incidents shall become due and payable to the Contractor once all such low severity incidents have been rectified; and

(f) the Contractor shall be entitled to invoice POCL (and POCL shall pay) for each sum held in a Retention Pot, after that sum becomes due and payable in accordance with (a) to (e) above.

18.3 T&M Work rate reduction

In the event that NB Event 1 has not occurred on or before the Rate Reduction Date, the Contractor shall from that date reduce by 50% the rates (set out in paragraph 18.1 of Schedule A12) used to calculate the amounts to be paid by POCL for T&M Work, and that 50%

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reduction shall remain in force until such time as NB Event 1 occurs. For the avoidance of doubt:

(a) the Contractor may revert to the rates in paragraph 18.1 of Schedule A12 for T&M Work undertaken after the actual date of achievement of NB Event 1; and

(b) the 50% reduction prior to the actual date of achievement of NB Event 1 is an absolute reduction and the Contractor shall not be entitled to any payment to make up the difference between the 50% and the full rates.

18.4 Charges for correction of Acceptance Incidents

Following NB Event 1, the Contractor will be entitled to charge POCL for the correction of NBS Acceptance Incidents outstanding at NB Event 1 until the T&M Budget for NB Event 1 plus the T&M Budget for the Level 2 product finalisation tasks identified in the NB Project Plan which are due to take place after NB Event 1 are exhausted, and the Contractor shall thereafter correct any remaining NBS Acceptance Incidents which were outstanding at NB Event 1 at its own expense.

18.5 Payment of T&M Budget underspend

In the event that NB Event 1 is achieved on or before the Rate Reduction Date, then the Contractor shall, upon rectification of all NBS Acceptance Incidents outstanding at NB Event 1, be entitled to a sum (which shall be paid by POCL) equal to 25% of the underspend on the aggregate T&M Budget for all tasks in the NB Project Plan due to be completed on or before NB Event 1 . Such underspend shall be calculated as the difference between that T&M Budget for NB Event 1 and the aggregate of the sums due to be paid to the Contractor for T&M Work to achieve NB Event 1 and the sum due to be paid to the Contractor to achieve the rectification of all NBS Acceptance Incidents outstanding at NB Event 1.

18.6 T&M Work Discount

POCL shall be entitled to a discount against the Contractor's Charges for T&M Work carried out in 2002 equivalent (in total) to a sum not exceeding £8,000,000.00. The proportion of that discount that shall be deducted from the Contractor's T&M Work Charges in each month of 2002 shall be as set out in Annex 6 to this Schedule A12. Any such discount unused at the end of 2002 shall cease to be applicable.

18.7 NBS Implementation Charges

The Contractor's Charge for NBS Deployment shall be the fixed sum of £3,026,012.00, payable in monthly instalments commencing January 2002, as set out in Annex 6 to this Schedule A12.

19 NBS OPERATING CHARGES

19.1 NBS Customer Service Charges

The Contractor's Charge for operating and managing the NBS shall be the fixed sum of £9,218,330.00, payable in monthly instalments commencing January 2002 as set out in Annex 6 to this Schedule A12.

19.2 Audit Record Queries

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19.2.1 The Contractor's Charge for dealing with Audit Record Queries and Old Format Queries (subject to and in accordance with paragraph 7.3 of Schedule N01) shall be the fixed sum of £793,434.00, payable in monthly instalments commencing March 2003 as set out in Annex 6 to this Schedule A12.

19.2.2 If POCL exercises its option pursuant to paragraph 7.3.6 of Schedule N01 to vary the maximum number of Audit Record Queries and Query Days which the Contractor is required to carry out, the Contractor's Charge specified in paragraph 19.2.1 of this Schedule A12 shall be varied pro rata to reflect that revised maximum, with effect from the same date that that revised maximum becomes effective.

20. HARDWARE AND SOFTWARE PROCUREMENT

20.1 Hardware and Software Charges (non Data Reconciliation Service)

The Contractor's Charges for the provision of Hardware and Software required to operate the NBS (other than that required to operate the Data Reconciliation Service) shall be the fixed sum of £2,062,818.00, payable in instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and each subsequent instalment thereafter shall become due on the first day of the month to which it relates, as specified in that Annex.

20.2 Hardware and Software Charges (Data Reconciliation Service)

The Contractor's Charge for the provision of Hardware and Software required to operate the Data Reconciliation Service shall be the fixed sum of £2,808,072.00, payable in instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and each subsequent instalment thereafter shall become due on the first day of the month to which it relates, as specified in that Annex.

20.3 Phase 2 Hardware upgrade

If POCL gives Phase 2 Notice to the Contractor pursuant to paragraph 12.2 of Schedule N01 the following Charges (which are additional to those set out in paragraphs 20.1 and 20.2 of this Schedule A12) shall apply:

(a) If the date specified in the Phase 2 notice for commencement of Phase 2 (the "Commencement Date") is between 1 September 2003 and 31 May 2004 (inclusive) the Contractor's Charges for upgrading NBS Hardware to support Phase 2 Contracted Volumes shall be the sum of:

(i) £404,452.00, which sum shall become due for payment 5 calendar months prior to the Commencement Date; plus

(ii) £1,059,743.00, which sum shall become due for payment 1 calendar month prior to the Commencement Date.

(b) If the Commencement Date is between 1 June 2004 and 31 March 2005 (inclusive) the Contractor's Charges for upgrading NBS Hardware to support Phase 2 Contracted Volumes shall be agreed under the Change Control Procedure and shall be consistent with prices generally offered in the United Kingdom (at the time the Phase 2 Notice is given) for products of the type required for that Hardware upgrade, provided on similar terms.

21. OPERATIONAL CHARGE DISCOUNT

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POCL shall be entitled to a discount against the Contractor's Charges (specified in paragraphs 17.5 (network operating charges), 19 (NBS operating charges) and 24.4 (PIN Pad Implementation Service (maintenance charges)) of this Schedule A12) equivalent (in total) to a sum not exceeding £6,000,000.00. The proportion of that discount that shall be deducted from such Charges in each month commencing April 2002 shall be as set out in Annex 6 to this Schedule A12.

22. OTHER NBS CHARGES

22.1 The elements of the NBS or services associated with the NBS set out in the table below shall be charged for by the Contractor on a time and material basis using the rates specified:

Reference	Summary (for information purposes only)	Applicable rates and basis of Charges
Schedule N01, paragraph 10.3.1	Co-operation and assistance (following NB Go Live) with developing POCL's network banking automation security policy	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Schedule N01, paragraph 10.4.5	Co-operation and assistance in respect of security breaches and threats	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Schedule N09, paragraph 1.11	Co-operation and assistance with business continuity and fail-over testing of End to End Banking	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Network Banking Transfer Service	The service set out in Schedule N6 to be provided upon termination of the NB/PIN Pad Services or	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by

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	the Codified Agreement, as applicable	8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata

22.2 The Charges set out in this part C of Schedule A12 include the Contractor's charges for icons used in NBS software in the Release known to the parties as "BI3". Following Release BI3 the Contractor's Charges for any additional icons which may be required shall be as set out in the CCD entitled *"Horizon Icon Service Prices" (CS/PDN/019)* version 1.0, to be agreed between the parties

22.3 The Contractor's Charges in respect of non-T&M Work agreed pursuant to CCN 970a shall be as specified in the table below:

Description		*Applicable charge and basis for charging*
1	Equipment for preparation of a rig room at the Contractor's premises (including electrical and air conditioning equipment, network ports, racking and cabling). DIT to NBE test rig together with operating software. Additional Hardware including a primary domain controller, agent and KMS server, MIS client, correspondence server, KMS workstation, 3 counter configurations, DRS workstation, authorisation and confirmation agents and host.	£ 146,300 payable on the date of delivery of such to the Contractor by the relevant third party supplier
2	Equipment for upgrade of the DIT to NBE test rig (to include addition of a DWH Host, a primary domain controller, RDMC, KMS admin, Test Director, VPN and 7 counter configurations).	£ 77,400 payable on the date of delivery of such to the Contractor by the relevant third party supplier
3	2MB comms link from Warwick (NBE site) and operation of said link until 31 March 2003.	£ 18,700 payable on implementation of such link

22.4 All T&M Work carried out pursuant to CCN 970a shall be invoiced and payable in accordance with paragraphs 18 and 23 of part C of this Schedule A12.

23 PAYMENT OF NBS AND NBS RELATED CHARGES

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23.1 Unless expressly stated to be due on a particular date, the amount due for payment by POCL in respect of each monthly Charge or monthly instalment of a Charge set out or referred to in this Part C shall accrue on daily basis commencing the first day of that month, the daily increment being a sum equivalent to the monthly Charge or instalment in question divided by the number of days in that month.

23.2 All Charges set out or referred to in this Part C which become due for payment in each month shall be invoiced monthly in arrears in accordance with Schedule A10 and shall be paid by POCL.

23.3 Each fixed Charge (or portion thereof) stated in part C or part D of this Schedule A12 to be due for payment on a date prior to the date of approval of CCN850 shall become due for payment on the date of approval of CCN850 (notwithstanding the earlier date specified). Within two weeks after the date of approval of CCN850, the Contractor shall submit invoices in respect of those Charges (net of any applicable discount to be allowed in accordance with paragraph 21 of this Schedule A12), as adjusted in accordance with paragraph 23.4 of this Schedule A12.

23.4 The fixed Charges referred to in paragraph 23.3 shall be adjusted by deducting from them all amounts paid or payable (for the services or equipment to which those fixed Charges relate) under invoices submitted under the Network Banking CCNs. Subject to paragraphs 22.2 and 23.5 to 23.9 of this Schedule A12, apart from being obliged to pay (without prejudice to paragraph 10 of Schedule A10) valid invoices submitted under the Network Banking CCNs, POCL shall have no further obligation under the Network Banking CCNs to pay for the services or equipment to which those fixed Charges relate and no further invoices in respect of those services or equipment shall be submitted under the Network Banking CCNs.

23.5 The provisions in this paragraph 23.5 shall apply to charges for T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 and to all Charges for work carried out under CCN 754c and CCN829, and any provisions to the contrary previously agreed by the parties, including those in such CCNs are cancelled.

23.5.1 In this section 23.5, "SRS CCNs" means CCN 754c and CCN 829, and "CCN Date" means the date of approval of CCN850.

23.5.2 The total aggregate Charges for work carried out under the SRS CCNs shall be £2,186,928, of which £1,518,270 (less the payments already made) became payable to the Contractor by the CCN Date. The balance of £668,658 shall become payable to the Contractor upon commencement of the NB Pilot (Soft Launch).

23.5.3 As at CCN Date POCL had paid a total of £1,543,919 to the Contractor in respect of the SRS CCNs and the Contractor shall, within 14 days of CCN Date, issue a Credit Note to POCL for £25,649, being the difference between the amount paid and the amount payable by the CCN Date.

23.5.4 The total aggregate Charges for T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 (inclusive) shall be £3,124,898, of which £2,499,918 (less the payments already made) became payable to the Contractor by CCN Date and the balance of £624,980 is allocated 50% to Retention Pot 1, 25% to Retention Pot 2 and 25% to Retention Pot 3 under the mechanism described in paragraph 18.2.3 (a) of this Schedule A12.

23.5.5 As at CCN Date POCL had paid a total of £2,541,576 to the Contractor in respect of T&M Work carried out under the Network Banking CCNs during the said period and the Contractor shall, within 14 days of CCN Date, issue a Credit Note to POCL for

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£41,658, being the difference between the amount paid and the amount payable by the CCN date.

23.6 Save as set out in paragraph 23.5, the Contractor waives all rights to receive payment from POCL in respect of all work carried out under SRS CCNs at any time and all T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 (inclusive).

23.7 Notwithstanding anything to the contrary in the provisions of the Network Banking CCNs, the total aggregate Charges for T&M work carried out under the Network Banking CCNs during the period 1 January 2002 to 21 April 2002 (inclusive) shall be calculated or re-calculated if already invoiced (as the case may be) in respect of the Network Banking CCNs using the rates and on the basis set out in paragraph 18 of this Schedule A12.

23.8 In calculating or recalculating (as the case may be) the Charges for T&M Work under the Network Banking CCNs in accordance with paragraph 23.7 of this Schedule A12, the Contractor shall apply any discount applicable under paragraph 18.6 of this Schedule A12. If having applied that discount a credit balance is due to POCL, that balance shall be carried forward and applied against the Contractor's Charges in the next invoice to be submitted in respect of T&M Work, and so on (subject to paragraph 18.6 of this Schedule A12) until that balance is exhausted.

23.9 The Contractor's Charges for T&M Work carried out between 22 April 2002 and the date of approval of CCN850 (inclusive) shall be calculated in accordance with paragraph 18 of this Schedule A12.

PART D: PIN PAD, PIN PAD SERVICE AND PAYPOLE CHARGES

24. PIN PADS

24.1 PIN Pad Hardware Procurement

24.1.1 The Contractor's Charges for procuring PIN Pad Units in accordance with paragraph 3.1 of Schedule G12 shall be as follows:

Unit	Unit price	Total number procured (to be delivered in batches):	Total Charge (fixed):
PIN Pad	£221.8290	38,000	£8,429,502.00
Y Cable	£4.4444	38,000	£168,887.20
Smart card reader cover	£0.3333	38,000	£12,665.40
Cable strap	£0.3333	38,000	£12,665.40
		TOTAL	£8,623,720.004

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The Charges for each batch of PIN Pads, cable straps, Y cables and/or smart card reader covers (making up each PIN Pad Unit) delivered to POCL shall become due for payment upon such delivery.

24.1.2 If POCL gives notice to increase the number of PIN Pads Units to be procured by the Contractor pursuant to paragraph 3.2 of Schedule G12, the Contractor's Charges for each additional PIN Pad Unit procured shall be as set out in the table in paragraph 24.1.1 above. The Charges for each batch of PIN Pads, cable straps, Y cables and/or smart card reader covers (making up each such additional PIN Pad Unit) delivered to POCL shall become due for payment upon such delivery.

24.1.3 If POCL gives notice to increase the number of PIN Pads to be held as OBC stock pursuant to paragraph 5.2 of Schedule G12, the Contractor's Charge for each additional PIN Pad Unit procured shall be the sum of £274.00, which sum shall become due for payment upon delivery of that PIN Pad Unit to the Contractor. The Charge for each PIN Pad specified in this paragraph 24.1.3 is subject to the proviso that notice is given to increase the number of PIN Pad Units held for OBC purposes by no more than 1000 on each occasion that such notice is given. For the avoidance of doubt, the Charges specified in this paragraph 24.1.3 shall be in addition to any Charges agreed in respect of PIN Pad related services set out in the Operational Business Change Catalogue.

24.2 PIN Pad Paypoles

24.2.1 The Contractor's Charges for procuring Paypoles in accordance with paragraph 3.1 of Schedule G12 shall be as follows:

	Unit charge:	**Total number procured (to be delivered in batches):**	**Charge (fixed):**
Paypole	£37	37,000	£1,369,000.00
Paypole boxes (for delivery of Paypoles)	£0.97	37,000	£35,890.00
		Total Charge (fixed):	£1,404,890.00

The Charges for each batch of Paypoles (and boxes) delivered to POCL shall become due for payment upon such delivery.

24.2.2 If POCL gives notice to increase the number of Paypoles to be procured by the Contractor pursuant to paragraph 3.2 of Schedule G12, the Contractor's Charge for each additional Paypole procured shall be the sum of £37.97 (including box), which sum shall become due for payment upon delivery of that Paypole to POCL.

24.2.3 If POCL orders further Paypoles in accordance with paragraph 6.5 of Schedule G12 (on 100 days' notice), the Contractor's Charge for each additional Paypole procured (including box) shall be the sum of £40.47, which sum shall become due for payment upon delivery of that Paypole to POCL. The Charge for each Paypole specified in this paragraph 24.2.3 is subject to the proviso that each such order for is for no more than 1000 Paypoles.

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24.3 PIN Pad Implementation Service Charges (other than maintenance)

The Contractor's Charge for the PIN Pad Implementation Service (other than the maintenance element of that service) shall be as follows:

(a) The fixed sum of £993,290.00, payable in monthly instalments commencing October 2001 as set out in Annex 6 to this Schedule A12.

(b) In respect of each No Fault Found PIN Pad described in paragraph 4.5 of Schedule G12 (where a charge is payable in accordance with that paragraph) which is returned to the Contractor in accordance with paragraph 4.3(D) of Schedule G12, the sum of £72.50.

(c) In respect of each PIN Pad installation completed by the Contractor in the circumstances described in paragraph 4.13 of Schedule G12, (where a charge is payable in accordance with that paragraph), the sum of £68.50.

24.4 PIN Pad Implementation Service (Maintenance) Charges

The Contractor's Charge for maintaining PIN Pads (following their deployment by POCL in accordance with Schedule G12) shall be the fixed sum of £2,568,324.00, payable in monthly instalments commencing May 2002 as set out in Annex 6 to this Schedule A12.

25 PAYMENT OF PIN PAD CHARGES

25.1 Unless expressly stated to be due on a particular date, the amount due for payment by POCL in respect of each monthly instalment of a Charge set out or referred to in this Part D shall accrue on daily basis commencing the first day of that month, the daily increment being a sum equivalent to the monthly Charge or instalment in question divided by the number of days in that month.

25.2 All Charges set out or referred to in this Part D which become due for payment in each month shall be invoiced monthly in arrears in accordance with Schedule A10 and shall be paid by POCL.

25.3 Each fixed Charge (or portion thereof) stated in this part D of Schedule A12 to be due for payment on a date prior to the date of approval of CCN850 shall become due for payment, be adjusted and invoiced in accordance with paragraphs 23.3 and 23.4 of this Schedule A12.

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ANNEX 1 TO SCHEDULE A12

Roll Out Programme

Part A

Week Commencing	Number of Outlets (inc. live trial)
Already rolled out	299
23/08/99	24
30/08/99	1
06/09/99	47
13/09/99	80
20/09/99	158
27/09/99	178
04/10/99	203
11/10/99	203
18/10/99	203
25/10/99	203
01/11/99	203
08/11/99	0
15/11/99	0
22/11/99	0
29/11/99	0
06/12/99	0
13/12/99	0
20/12/99	0
27/12/99	0
03/01/00	0
10/01/00	0
17/01/00	0
24/01/00	120
31/01/00	180
07/02/00	250

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Week Commencing	Number of Outlets (inc. live trial)
14/02/00	306
21/02/00	306
28/02/00	306
06/03/00	306
13/03/00	306
20/03/00	306
27/03/00	306
03/04/00	306
10/04/00	306
17/04/00	244
24/04/00	244
01/05/00	244
08/05/00	306
15/05/00	306
22/05/00	306
29/05/00	244
05/06/00	306
12/06/00	306
19/06/00	306
26/06/00	306
03/07/00	306
10/07/00	306
17/07/00	306
24/07/00	306
31/07/00	306
07/08/00	306
14/08/00	306
21/08/00	306
28/08/00	244
04/09/00	306
11/09/00	306
18/09/00	288

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Week Commencing	Number of Outlets (inc. live trial)
25/09/00	288
02/10/00	288
09/10/00	287
16/10/00	287
23/10/00	287
30/10/00	287
06/11/00	287
13/11/00	287
20/11/00	287
27/11/00	287
04/12/00	287
11/12/00	
18/12/00	
25/12/00	
01/01/01	
08/01/01	287
15/01/01	287
22/01/01	287
29/01/01	287
05/02/01	287
12/02/01	273
19/02/01	259
26/02/01	120
05/03/01	108
Sub total	17,170

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Part B

Outlets to be Rolled Out under Operational Business Change

Week Commencing	Number of Outlets (inc. live trial)
12/03/01	149
19/03/01	109
26/03/01	90
02/04/01	76
09/04/01	56
16/04/01	45
23/04/01	27
30/04/01	21
07/05/01	19
14/05/01	17
21/05/01	15
28/05/01	14
04/06/01	13
11/06/01	10
Sub total	661
National Roll Out Total	17,831

"

Annex 2 to Schedule A12
Transaction Volumes

OBCS volumes are volumes through Horizon only and are included in the Orderbook Transactions. All others are totals, whether through Horizon or not.

Millions	Year Commencing April 1						
	1999	2000	2001	2002	2003	2004	2005
Orderbook Transactions	775.8	749.8	696.8	611.6	251.9	7.3	0.0
Girocheque Transactions	52.0	52.0	48.9	43.9	18.4	0.5	0.0

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EPOSS and APS	1337.0	1404.0	1313.0	1297.0	1265.0	1170.0	0.0
Total	2,164.8	2,205.8	2,058.7	1,952.5	1,535.3	1,177.8	0.0
OBCS	154.0	353.0	627.0	588.1	242.1	7.0	0.0

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ANNEX 3 TO SCHEDULE A12

Transaction Metrics for Charges

It is proposed that transactions should be counted for charging purposes according to the following rules. The default is that 1 customer-facing transaction in reference data = 1 chargeable transaction. The following are the main exceptions:

Transaction items: 1 chargeable transaction per transcash item. For the avoidance of doubt, there will be no chargeable transaction associated with the fee payable on the transcash item.

Postal orders: 1 chargeable transaction per customer session, regardless of number of postal orders sold. For the avoidance of doubt, there will be no chargeable transaction associated with the fee(s) payable on the postal order(s). Where postal stamps are sold to make up the odd amount of a postal order value (e.g. the 27p of a postal order of value £35.27), these stamps will be counted as a chargeable transaction in accordance with the metrics for postal stamps (see below).

Phone cards: Sales of phone cards of the same denomination to be rolled up within a customer session. For example, if a customer buys 2 x £2.00 cards this would be 1 chargeable transaction; however if the customer buys 1 x £2.00 and 1 x £5.00 cards this would be 2 chargeable transactions.

Saving stamps: 1 chargeable transaction per client, per customer session regardless of the quantity and combination of saving stamp values sold. For example, if a customer buys 1 x £2.00 and 2 x £5.00 British Gas saving stamps and 2 x £2.00 BBC licence stamps this would result in 2 chargeable transactions.

Postage stamps: Sales of postage stamps within a customer session to be rolled up into 1 chargeable transaction regardless of quantity and combinations of stamps sold. For the avoidance of doubt, postage stamps includes definitive and special issue stamps of all values, stamp books and postage-paid stationery. It does not include other postal products such as datapost or special delivery. For example, if a customer buys 2 x 1st class, 42p of other postage, 3 x stamp books (10 x 2nd class) and a book of 10 x 1st class stamps, this would be 1 chargeable transaction.

Because it is recognised that the volumes of postage stamp sales in the Workload Brief is subject to statistical uncertainty in deriving the average value of transactions, the charges will if necessary be adjusted retrospectively as follows:

- The actual average value of stamp sales per transaction will be calculated by dividing the total value of stamp sales recorded on POCL by the number of customer sessions in which stamp sales were recorded.
- The intended average value of stamp sales will be calculated as £2.51 multiplied by the average RPI for the relevant invoicing year and divided by the average RPI for the year ending February 1996.
- The adjusted amount payable for postage stamp sale transactions will be calculated by multiplying the charges by the actual average value and dividing by the intended average value, any under or over payment will be included as an adjustment to the next monthly invoice.
- An adjustment factor, to apply in all Operating Fee Periods, will be calculated at the end of the first Operating Fee Period based on the previous 12 months' data.

Retail items sold over the post office counter: Charged as 1 transaction per line, i.e. 1 item of each of 2 different lines = 2 transactions. 2 of the same line = 1 transaction.

Entry of sales not transacted on the POCL Service Infrastructure: i.e. postshop, vending, lottery etc. Charged as 1 transaction per batch entry for each product (e.g. 60 lottery ticket sales and 60 vending items = 2 transactions).

Reversals: Where transactions are subsequently reversed, the transaction itself will be chargeable as usual, the reversal will not be chargeable, and any related fresh transaction will be chargeable.

Use of scales: A price look-up for postage items using the scales link or by manually keyed input will not count as a separate transaction.

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Premium Mails Services: Each item requiring separate entry will count as 1 transaction (e.g. posting 3 datapost packages which require separate recording). Where items are entered as multiples (e.g. posting 2 parcels of the same weight with recorded delivery to the same zone) these will count as a single transaction.

Scales, premium services, and postal order transactions are additional to any related sale of postage stamps, but no more than 1 postage stamp sale will be recorded per customer session regardless of the use of those stamps.

Order Book Transactions: Each encashed foil shall count as a separate transaction.

Girocheques: Each Girocheque encashed shall count as a separate transaction.

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ANNEX 4 TO SCHEDULE A12

Management of Site Preparation and Modification Costs

1. Contractor Responsibilities

The Contractor will be responsible for all site preparation and modification costs (the "infrastructure programme") other than those covered by the POCL contributions pursuant to paragraph 2 of this Annex and for which POCL is to be responsible pursuant to paragraph 3 of this Annex.

In this Annex, "Modified Total Infrastructure Costs" means the total costs incurred under the infrastructure programme (excluding payments made or to be made by POCL pursuant to paragraph 3 of this Annex).

2. Contributions

2.1 Of the first £34 million of the Modified Total Infrastructure Costs, the Contractor will pay £29 million and POCL will pay £5 million.

2.2 The £5 million which POCL is required to pay pursuant to paragraph 2.1 of this Annex is to be phased over time in proportion to the number of Outlets made ready for installation. The Contractor and POCL acknowledge that of this £5 million, £512,267 has been allocated to meeting the costs of aborts, suspends and revisits, relating to site preparation and surveys at any Outlet, and £39,147 has been allocated to meeting the costs of out of hours work for standard sub-post offices (excluding the 100 largest standard sub-post offices) relating to site preparation and modifications, together totalling £551,414.

2.3 If the agreed forecasts of the Modified Total Infrastructure Costs exceed £34 million, POCL will pay the next £4 million, such payment to be phased pro rata to the number of Outlets installed.

2.4 If the Modified Total Infrastructure Costs exceed £38 million POCL and the Contractor will determine the approximate number of weeks which will be required to complete the infrastructure programme, and POCL will pay a further £1 million phased on a weekly basis evenly over the period so determined for the forecast completion of the infrastructure programme.

2.5 If, on the NR Completion Date, the Modified Total Infrastructure Costs are:

2.5.1 less than or equal to £34 million, the Contractor will pay POCL by way of refund £4 million;

2.5.2 greater than £34 million but less than or equal to £38 million, the Contractor will pay POCL by way of refund an amount equal to £38 million less the Modified Total Infrastructure Costs;

2.5.3 greater than £38 million but less than or equal to £39 million, the Contractor will pay to POCL by way of refund an amount equal to £39 million less the Modified Total Infrastructure Costs; and

2.5.4 greater than £39 million, the Contractor will not be obliged to make a payment to POCL by way of refund in respect of the Modified Total Infrastructure Costs.

Any payment to be made by the Contractor to POCL pursuant to this paragraph shall be made within 30 days of the NR Completion Date.

3. POCL Excess Costs

3.1 Records

The Contractor shall keep and make available appropriate records to verify:

(a) those costs of the infrastructure programme which are to be borne by POCL; and

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(b) the Contractor's forecasts of the Modified Total Infrastructure Costs referred to in paragraph 2.3 of this Annex.

3.2 Electrical work

The Contractor shall bear the costs of supplying and installing the necessary equipment and carrying out the necessary electrical work for new distribution boards and earthing in the first 10,000 Outlets in which there is a requirement for such distribution board or earthing work to be carried out. Thereafter POCL shall bear such costs in accordance with paragraph 13 of Schedule A12. (Without prejudice to POCL's obligation to bear such costs, an estimated cost to POCL of £1.1 million for such work has been derived from an estimate that such work will be required in altogether 14,273 Outlets and that such work in the final 4,273 of such Outlets will cost on average £257 per Outlet.)

In all cases the Contractor will take responsibility for co-ordinating with the regional electricity board to carry out final connections to the power supply. Any charges levied by the regional electricity board will be charged to POCL.

3.3 Cost thresholds

3.3.1 In respect of any Outlet to be modified, where the estimated cost of modification work (excluding site preparation work) does not exceed the threshold (the "Cost Threshold") for that Outlet set out below based on the number of counter positions in that Outlet, namely:

(i) one counter position - £2,500 per counter;

(ii) two counter positions - £1,800 per counter; and

(iii) three or more counter positions - £1,200 per counter

then the Contractor shall carry out the modification work in accordance with the Roll Out Programme.

3.3.2 In respect of any Outlet to be modified, where the estimated cost of modification work (excluding site preparation, survey and re-survey work) exceeds the Cost Threshold for that Outlet then:

(a) the Contractor shall promptly notify POCL in writing of the Financial Accounting Division ("FAD") code, the name and the location of that Outlet, the number of counter positions at that Outlet, the estimated cost of modification work and a scope of the proposed works; and

(b) the Contractor shall not carry out any modification work for that Outlet without the prior written consent of POCL pursuant to paragraph 3.3.3 of this Annex and on receipt of such consent shall carry out the type of modification specified by POCL.

3.3.3 Following receipt by POCL of a written notice from the Contractor pursuant to paragraph 3.3.2(a) of this Annex, POCL shall, in respect of an Outlet with:

(a) four or more counter positions, determine whether or not to modify that Outlet, and what modifications are to be carried out within the scope of modifications to which the estimated costs relate;

(b) exactly three counter positions, determine whether that Outlet is to:

(i) be relocated to new premises or premises refurbished by POCL or its sub-contractors so that such refurbished premises shall require no modifications and not more than standard site preparation;

(ii) have its number of counter positions reduced to two; or

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(iii) be modified as is; and

(c) exactly one or two counter positions, determine whether that Outlet is to be:

(i) closed;

(ii) relocated to new premises or refurbished by POCL or its sub-contractors so that such refurbished premises shall require no modification and not more than standard site preparation; or

(iii) modified as is

and notify the Contractor of such decision in accordance with paragraph 3.3.4 of this Annex.

3.3.4 In the case of an Outlet which POCL wishes to be dealt with in accordance with:

(a) paragraphs 3.3.3(a), 3.3.3(b)(ii), 3.3.3(b)(iii) or 3.3.3(c)(iii) of this Annex, POCL shall use its reasonable endeavours to notify the Contractor of such decision within four working days of the date of receipt by POCL of the notice relating to that Outlet from the Contractor pursuant to paragraph 3.3.2(a) of this Annex. If POCL does not notify the Contractor within such notice period, POCL shall be liable to the Contractor for the additional costs which the Contractor shall have incurred solely as a result of modification work at that Outlet being done later than had been originally scheduled but excluding all costs arising out of the Contractor failing to notify POCL promptly pursuant to paragraph 3.3.2(a) of this Annex; and

(b) paragraphs 3.3.3(b)(i), 3.3.3(c)(i) or 3.3.3(c)(ii) of this Annex, POCL shall provide Pathway with sufficient notice as is consistent with the operational requirements of the infrastructure programme.

3.3.5 In respect of Outlets to which paragraph 3.3.2 of this Annex applies, the parties have assumed that:

(a) all four counter position Outlets will be modified;

(b) the numbers of three counter position Outlets modified pursuant to each sub-paragraph of paragraph 3.3.3(b) of this Annex shall be equal; and

(c) the numbers of one or two counter position Outlets modified pursuant to each sub-paragraph of paragraph 3.3.3(c) of this Annex shall be equal.

3.3.6 POCL shall bear those reasonable costs in respect of the Outlets to be modified which exceed the Cost Threshold. POCL shall also bear those reasonable costs that may arise and shall benefit from any savings that may arise as a result of any of the assumptions in paragraph 3.3.5 of this Annex being incorrect. Any such benefit shall be credited to POCL in the invoice for the calendar month in which the POCL decision giving rise to that benefit shall have been made.

3.4 Aborts, Suspends and Revisits and Out of Hours Work at Standard Sub-Post Offices

3.4.1 Of the costs of site preparation aborts, suspends and revisits at any Outlet, and the costs of out-of-hours work at standard (i.e. non-franchise) sub-post offices (excluding the 100 largest standard sub-post offices), which exceed £551,414 as referred to in paragraph 2.2 of this Annex POCL shall bear such of those costs as are specified in paragraph 3.4.2 of this Annex.

3.4.2 The costs referred to in paragraph 3.4.1 of this Annex which are to be borne by POCL are:

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(a) the costs of aborts, suspends or revisits which are caused by POCL or its sub-postmasters or franchisees and are recorded as such on the implementation programme database;

(b) that proportion of the cost of aborts, suspends or revisits based on the extent of responsibility of POCL to the overall responsibility as agreed by POCL and the Contractor, or failing such agreement as agreed by the Programme directors of POCL and the Contractor, or failing such agreement POCL and the Contractor will bear such costs equally. POCL will not be responsible for the costs of the suspension of offices that are classified as no fixed counters ("NFC"); and

(c) the cost of out-of-hours work due to any standard sub-post office (other than the 100 largest standard sub-post offices) not permitting continuous access between 8.00 a.m. and 6.00 p.m. on weekdays (excluding bank holidays) or not permitting work to be done in accordance with the CCD entitled "Mitigating Disruption in Post Offices During Preparation Activities".

3.5 Other excess site preparation costs

POCL shall bear those costs of out of hours work and revised (at POCL's request) processes as compared with what is stated in the CCD entitled "Mitigating Disruption in Post Offices During Preparation Activities" for site preparation for the 100 largest standard sub-post offices, all branch offices and franchise offices, which exceed £715,876.

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ANNEX 5 to Schedule A12 - PHYSICAL, TECHNICAL & SERVICE LIMITS

Row	SERVICE	LIMIT	CONDITIONS
	OPS		
1.	Number of Outlets and geography	18,250 maximum at any one time during the term of the Codified Agreement, subject to the rates of change contained in row 2 of this table and the limit on counter positions in row 3.	GB & Northern Ireland, excluding: Channel Islands Isle of Man BFPO Other territories Includes Head Office Counter Positions as described in row 12 below.
2.	Post Offices: • relocated or opened, • closed (and not relocated)	1.6% per annum 1.0% per annum	
3.	Counter positions	39,390 maximum	This includes counter positions in training centres, without a separate limit for these. It also includes Head Office Counter Positions as described in row 12 below.
4.	Horizon configurations, including those installed in back office locations.	40,467 maximum	Including: workstations, screens, slip/receipt printers and keyboards/MSR/SCR. The limit of 40,467 includes a float of 77 Horizon configurations held in reserve for Operational Business Change purposes, therefore the maximum number of Horizon configurations that can be installed at any one time is 40,390.
5.	Single position gateway configurations	Within the overall limit in row 4 above, a maximum of 7,615	The limit of 7,615 includes a float of 15 single position gateway configurations held in reserve for Operational Business Change purposes, therefore the maximum number of single position gateway configurations that can be installed at any one time is 7,600. In no event shall the combined number of single position gateway configurations and multi-position gateway configurations (whether installed in Outlets or held as float for Operational Business Change), including all Head Office Counter Positions, cause the limit shown in row 1 of this table to be exceeded.

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Row	SERVICE	LIMIT	CONDITIONS
6	Multi-position gateway configurations	Within the overall limit in row 4 above, a maximum of 10,670	In addition to the single position configurations in row 5 above. The limit of 10,670 includes a float of 20 multi-position gateway configurations held in reserve for Operational Business Change purposes, therefore the maximum number of multi-position gateway configurations that can be installed at any one time is 10,650. In no event shall the combined number of single position gateway configurations and multi-position gateway configurations (whether installed in Outlets or held as float for Operational Business Change), including all Head Office Counter Positions, cause the limit shown in row 1 of this table to be exceeded.
7	Spare flat screens	350 maximum	These 350 will be deployed as required by POCL from time to time.
8.	Mobile Configurations	Within the overall limit in row 5 above, a maximum of [CCN632b limit] at any one time during the term of the Codified Agreement	This relates to computer based counter configurations which are designed to be removed and stored away from the service position (not to be confused with standard computer configurations on trolleys or in vans)
9.	A4 Printers: • Laser or LED (light emitting diode) • Inkjet	4,000 maximum or more at the Contractor's option 18,250 minus the number of Laser and LED printers	If the number of Outlets is increased beyond 18,250 in accordance with the limit and conditions in row 1 of this table POCL may procure an equivalent number of additional printers as Optional POCL Services, the pricing of equipment to be by reference to the pricing of Optional Products.
10.	Users to be trained during Roll Out Programme	72,000 maximum	
11.	Documentation: • Releases • Emergency updates	2 per annum A4, 1pp, 12 per annum	
12.	Head Office Counter Positions	Within the overall limit in row 4 above	The number of Head Office Counter Positions shall count towards the totals in respectively rows 5 and 6 above.

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ANNEX 6 to Schedule A12 - NBS – FIXED MONTHLY CHARGES AND DISCOUNTS

IMPLEMENTATION OF NETWORK INFRASTRUCTURE (Paragraph 17.4)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£60,049	£61,350	£60,049	£181,447	
2002-3	£79,975	£79,975	£69,804	£69,804	£160,587	£90,111	£82,160	£100,535	£76,765	£175,825	£29,304	-	£1,014,844	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£1,196,291

NETWORK OPERATING CHARGES (Paragraph 17.5)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	-	-	-	£50,998	£185,304	£185,304	£72,144	£93,290	£93,290	£93,290	£178,931	£952,552	
2003-4	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£2,147,177	
2004-5	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£1,932,459	£5,032,188

NETWORK HARDWARE AND SOFTWARE (Paragraph 17.6)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	£62,771	-	-	£1,044,882	-	-	-	-	-	-	-	-	£1,107,653	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£1,107,653

NBS IMPLEMENTATION CHARGES (Paragraph 18.7)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£94,947	£129,167	£242,449	£466,562	
2002-3	£215,128	£232,952	£214,291	£257,465	£281,023	£199,369	£143,985	£239,013	£232,593	£417,395	£109,009	-	£2,542,223	
2003-4	-	-	-	-	-	£17,227	-	-	-	-	-	-	£17,227	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£3,026,012

NBS CUSTOMER SERVICE CHARGES (Paragraph 19.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£1,621	£7,543	£7,543	£16,707	
2002-3	£8,749	£8,749	£8,749	£218,830	£70,520	£81,678	£84,874	£96,248	£186,585	£271,570	£320,104	£320,104	£1,678,761	
2003-4	£338,584	£343,141	£338,584	£338,584	£341,374	£348,689	£348,689	£348,689	£351,795	£383,610	£315,022	£315,424	£4,112,164	
2004-5	£283,881	£287,982	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£3,410,678	£9,218,330

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AUDIT RECORD QUERIES (TO SUPPORT 500 RETRIEVALS PER ANNUM) (Paragraph 19.2.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	-	-	-	-	-	-	-	-	-	-	£33,338	£33,338	
2003-4	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£400,051	
2004-5	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£360,045	£793,434

HARDWARE AND SOFTWARE CHARGES (NON DATA RECONCILIATION SERVICE) (Paragraph 20.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	£930,341	-	-	-	-	£121,918	-	-	£1,010,559	-	-	-	£2,062,818	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£2,062,818

HARDWARE AND SOFTWARE CHARGES (DATA RECONCILIATION SERVICE) (Paragraph 20.2)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	£1,274,896	-	-	£95,220	-	£1,429,993	-	-	£7,963	-	-	-	£2,808,072	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£2,808,072

PINPAD IMPLEMENTATION SERVICE CHARGES (OTHER THAN MAINENANCE) (Paragraph 24.3(a))

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	£2,505	£39,674	£48,293	£79,674	£107,193	£86,028	£363,366	
2002-3	£62,116	£83,151	£50,796	£56,863	£56,863	£62,530	£59,697	£56,863	£46,799	£36,390	£17,859	£17,859	£607,786	
2003-4	£14,530	£7,607	-	-	-	-	-	-	-	-	-	-	£22,137	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£993,291

PINPAD IMPLEMENTATION SERVICE (MAINTENANCE) CHARGES (Paragraph 24.4)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	£1,029	£1,029	£1,029	£1,029	£1,029	£72,119	£72,119	£72,119	£72,119	£72,119	£72,119	£437,861	
2003-4	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£91,347	£91,347	£91,347	£1,034,293	
2004-5	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£1,096,170	£2,568,324

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OPERATIONAL CHARGE DISCOUNT (Paragraph 21)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£999,996	
2003-4	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£3,000,000	
2004-5	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£2,000,004	£6,000,000

T&M WORK DISCOUNT (Paragraph 18.6)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£380,163	£452,603	£546,704	£1,379,469	
2002-3	£940,572	£398,148	£420,239	£773,124	£671,390	£1,054,766	£753,491	£718,479	£890,321	-	-	-	£6,620,531	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£8,000,000

SUBTOTAL - NETWORK BANKING MONTHLY OPERATING FEE

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	£2,505	£39,674	£48,293	£236,290	£305,253	£396,068	£1,028,082	
2002-3	£282,637	£322,523	£261,336	£520,658	£537,688	£536,687	£544,805	£553,589	£626,818	£983,255	£558,352	£539,018	£6,267,367	
2003-4	£399,855	£397,489	£385,325	£385,325	£388,115	£412,657	£395,430	£395,430	£398,536	£437,227	£368,638	£369,040	£4,733,069	
2004-5	£399,604	£403,705	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£4,799,352	£16,827,870

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SCHEDULE A12- CHARGING MECHANISM

Version reference	Reason for change	Frozen/issue date
1.0	Original signed version (reformatted)	28 July 1999
1.2a	Applying CCN202b to 10.1; CCN433b to 10.2; CCN560 to 1.1, Annex 1 Part A, Annex 1 Part B	
1.2b	Modifying A12V12a to take account of the achievement of 1800+ implementations – reverting para 1.1; Modifying CCN202b changes to 10.1, Applying CCN202b to para 15	
1.2	Baseline copy of 1.2b	30 November 1999
1.3a	Applying CCN570a to Annex 5; CCN571 to section 5	
1.3	Baseline copy of 1.3a	30 March 2000
1.4a	Applying CCN568d to 7.3, 8.3; CCN612 to 8.2, 8.3, 10.1, 13, 14, 15; CCN 619 to 8.1, 12, Table Annex 5	
1.4b	Re-applying CCN570a to row 9 of annex 5 (CCN619 allowed that this should be re-applied)	
1.4c	Correcting typo in bullet 5 of note 1 of para 8.3 (CCN568d included typo). Making date style in table heading para 14 consistent	
1.4	Baseline copy of 1.4c	21 July 2000
2.0a	Applying CCN670 to section 15, section 16; CCN655a to 5.10.1- 5.10.4, Annex 1 & Annex 5;CCN679b to section 16.1	
2.0b	Adding in omitted words from CCN655a: Word adjustments in section 16.1 to clarify understanding of charges in CCN679b	
2.0	Baseline copy of 2.0b	12 January 2001
3.0a	Applying CCN722 to section 8.3; CCN733b to section 16.1; CCN756 to 8.2, 8.3, 10.1, 13, 14, 15 and 16; CCN761 to Annex 1	
3.0b	Rectifying typos in 8.3 and adding in details to 16.1 of CCNs 733b & CCN739	
3.0c	Amendments to 'Frequency of charge' column for CCN733b & CCN739 to read 'Annually in arrears'	
3.0	Baseline copy of 3.0c	19 September 2001
4.0a	Draft following teleconference on 20/06/02	21/06/02
4.0b	Draft following agreement to include Charges for work carried out pursuant to CCN 970a	25/06/02
4.0	To Introduce Network Banking Service	25 June 2002

PART A - CORE SYSTEM CHARGES

1. ROLL OUT PAYMENT

1.1. The Contractor shall be paid the Roll Out Payment subject to and in accordance with this Schedule. Of this Roll Out Payment, £480 million shall be paid in four equal Progress Payments (subject to paragraph 7.2 and to retention described below), one Progress Payment to become due on each of the dates set out in column 2 of the table below or, if later, upon achieving Roll Out to the cumulative number of Outlets set out against that date in column 1 and the final Progress Payment to become due in accordance with paragraph 4.3 of this Schedule A12.

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1. Cumulative number of Outlets in the Roll Out Programme	2. Date
1,300	1/11/1999
5,590	1/5/2000
10,680	1/11/2000

1.2. The remaining £68 million of the Roll Out Payment (in addition to the £480 million described above) will be payable to the Contractor in accordance with Schedule A10 on CSR Acceptance.

1.3. A retention of 25% shall be withheld from each Progress Payment (prior to the application of paragraph 7.2 below).

2. FIRST AVAILABILITY FEE

2.1. Upon the later of (i) approval by the Release Authorisation Board of CSR+ and (ii) 1 January, 2001, the sums retained on the first two Progress Payments (the "First Retention Sum") shall be converted into an availability fee (the "First Availability Fee") to be paid as described below.

2.2. At the end of each calendar month following conversion of the First Retention Sum, POCL shall (subject to paragraph 3.3 below) be due to pay to the Contractor in respect thereof an amount equal to the First Retention Sum divided by the lesser of 48 and the number of months from the date of such conversion to 31 March 2005 until the full amount of the First Retention Sum is paid.

3. SECOND AVAILABILITY FEE

3.1. Following the end of the first period of three consecutive months occurring after the CS Completion Date during which in each month the Contractor shall have achieved Service Levels which relate to the performance (as opposed to the operation) of the Core System which exceed the Termination Review Thresholds (as referred to in Schedule A06) the sums retained on the third and fourth Progress Payments (the "Second Retention Sum") shall be converted into a further availability fee (the "Second Availability Fee") to be paid as described below.

3.2. At the end of each calendar month following such conversion of the Second Retention Sum, POCL shall (subject to paragraph 3.3 below) be due to pay to the Contractor in respect thereof an amount equal to the Second Retention Sum divided by the lower of 48 and the number of months from the date of such conversion to 31 March 2005 until the full amount of the Second Retention Sum is paid.

3.3. If in the event that after nine months following the CS Completion Date, completion of National Roll Out (by reference to the Roll Out Programme as the same may be amended through change control) has not been achieved, then retentions from the First and Second Availability Fees will be made in accordance with paragraph 3.4 below.

3.4. The amount of the retention to be made pursuant to paragraph 3.3 from each monthly payment in respect of the First and Second Availability Fees shall be whichever is the lesser of:-

3.4.1 the whole of the monthly payment; and

3.4.2 such amount as would bring the total amount withheld to the Relevant Percentage of £19 million.

3.5. If, on any date on which payment of any monthly payment in respect of any Availability Fee shall be due, the net amount of all retentions made pursuant to paragraph 3.4 less those released pursuant to this paragraph 3.5 exceeds the Relevant Percentage of £19 million then POCL shall on that date refund to the Contractor the difference.

3.6. For the purpose of this paragraph 3, "Relevant Percentage" shall mean, in respect of any date when any monthly payment in respect of any Availability Fee shall be due, a percentage equal to the

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number of Outlets remaining to be installed as at close of business on the day falling five business days prior to that date. expressed as a percentage of the number of Outlets which remained to be installed, as at the CS Completion Date, in order to achieve National Roll Out.

3.7. Upon completion of National Roll Out the remaining balance of the amounts retained pursuant to paragraph 3.3 shall be released in full to the Contractor.

4. PROGRESS PAYMENTS

4.1. All Progress Payments to the Contractor will be made in accordance with Schedule A10.

4.2. In the event that Acceptance of the Core System is delayed as a result of the Default of POCL then payment of the next Progress Payment following the delay will be adjusted in accordance with Clause 606.2 of the Codified Agreement .

4.3. The final Progress Payment will be due on the date of completion of National Roll Out or, if National Roll Out has not been completed by 31 March, 2001, on the later of 31 March, 2001 and the CS Completion Date.

4.4. In the event that, as a result of the Default of POCL, any date in the Roll Out Programme is not met then the relevant Progress Payments will be adjusted in accordance with Clause 606.2 of the Codified Agreement.

4.5. For the avoidance of doubt, transition costs associated with converting existing Benefits Agency customers with benefit payment cards back to order books have not been taken into account in calculating the charges set out in this Schedule.

5. OPERATING PAYMENTS

5.1. For the purposes of this paragraph 5:

"Actual Periodic Payment" means, in respect of any Operating Fee Period, the aggregate of all Monthly Operating Fees actually paid or payable by POCL in respect of that Operating Fee Period after taking account of all permitted non-payments, reductions and adjustments accrued in respect of that Operating Fee Period under paragraphs 5.5, 5.6 and 5.9 of this Schedule A12;

"Adjustment Amount" means, in respect of each Operating Fee Period, an amount equal to the difference between the Actual Periodic Payment for that Operating Fee Period and the Adjusted Periodic Payment for that Operating Fee Period;

"Adjusted Periodic Payment" means, in respect of each Operating Fee Period, the RPI Base Adjusted Amount for that Operating Fee Period multiplied by the RPI Factor for that Operating Fee Period;

"Monthly Operating Fee" has the meaning ascribed thereto in paragraph 5.3 below;

"Operating Fee Period" means each of the periods contained in column 1 of the table set out in paragraph 5.2 below;

"Projected Periodic Payment" means, in respect of each Operating Fee Period, the amount set out against that Operating Fee Period in column 2 of the table set out in paragraph 5.2 below;

"RPI Base Adjusted Amount" means, in respect of each Operating Fee Period, the RPI Base Amount for that Operating Fee Period multiplied by the RPI Base Adjustment Factor.

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"**RPI Base Adjustment Factor**" means, in respect of each Operating Fee Period, A divided by B where:

A = the Actual Periodic Payment for that Operating Fee Period; and

B = the Projected Periodic Payment for that Operating Fee Period;

"**RPI Base Amount**" means, in respect of each Operating Fee Period, the amount set out against that Operating Fee Period in column 3 of the table set out in paragraph 5.2 below;

"**RPI Factor**" means, in respect of each Operating Fee Period, a percentage equal to the sum of:

(i) 100%; plus

(ii) the difference, expressed as a percentage of 163.7, between the level of RPI in respect of the RPI Reference Month for May, 1999 (163.7) and the level of RPI in respect of the RPI Reference Month for the last month in that Operating Fee Period;

"**RPI Reference Month**" means, in respect of any month, the month commencing three calendar months before the beginning of that month (so that, for example, the RPI Reference Month for December, 2001 shall be September, 2001); and

"**87% Date**" means the date on which Roll Out shall have taken place in 87 per cent. of all Outlets then planned to be installed under Part A of the Roll Out Programme (as updated from time to time pursuant to the Change Control Procedure).

5.2. The Table

1. Operating Fee Period	2. Projected Periodic Payment	3. RPI Base Amount
1/4/2001 - 31/12/2001	£63.0m	£59.1m
1/1/2002 - 31/12/2002	£85.0m	£77.8m
1/1/2003 - 31/12/2003	£87.0m	£77.7m
1/1/2004 - 31/12/2004	£81.0m	£70.6m
1/1/2005 - 31/3/2005	£21.0m	£18.1m

5.3. In addition to the Roll Out Payment referred to in paragraph 1 above, subject to the remaining sub-paragraphs of this paragraph 5, further payments with respect to operating the Core System (the "Monthly Operating Fee") shall be made on a monthly basis from 1 April, 2001 in accordance with this paragraph 5. Subject to adjustment pursuant to paragraphs 5.5 to 5.9 of this Schedule A12, the Monthly Operating Fee in respect of each Operating Fee Period shall be calculated by dividing the Projected Periodic Payment for that Operating Fee Period by the number of months in that Operating Fee Period.

5.4. The Monthly Operating Fee shall be payable in accordance with Schedule A10.

5.5. If by 31 March, 2001 the CS Completion Date shall not have been achieved but the 87% Date shall have been achieved then in respect of each month which falls before the CS Completion Date the Monthly Operating Fee shall be reduced by multiplying it by the fraction equal to the number of Outlets in respect of which Roll Out shall have taken place by the end of that month divided by the number of Outlets in respect of which Roll Out is required in order for the CS Completion Date to be achieved.

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5.6. If by 31 March, 2001 the 87% Date shall not have been achieved then the Monthly Operating Fee shall not commence until the month in which the 87% Date is achieved.

5.7. For the avoidance of doubt, reimbursement to the Contractor of all operating and maintenance costs incurred prior to the Monthly Operating Fee becoming payable is included within the Roll Out Payment referred to above.

5.8. The Projected Periodic Payments assume an RPI of 2.5% per annum from 24th May, 1999 until 31st March, 2005. In the event that RPI is not equal to 2.5% per annum over this period the Monthly Operating Fee shall be subject to adjustment at the end of each Operating Fee Period as follows:

5.8.1 Prior to issue of the invoice relating to the Monthly Operating Fee payable in respect of the final month in each Operating Fee Period the Contractor shall calculate:-

(a) the Actual Periodic Payment in respect of that Operating Fee Period;

(b) the RPI Factor in respect of that Operating Fee Period;

(c) the RPI Base Adjusted Amount in respect of that Operating Fee Period;

(d) the Adjusted Periodic Payment in respect of that Operating Fee Period; and

(e) the Adjustment Amount in respect of that Operating Fee Period

and shall, with the invoice for that final month, send to the Horizon Commercial Manager at POCL details of those calculations.

5.8.2 If in respect of any Operating Fee Period the Adjusted Periodic Payment is greater than the Actual Periodic Payment then the Monthly Operating Fee in respect of the final month in that Operating Fee Period shall be increased by an amount equal to the Adjustment Amount for that Operating Fee Period.

5.8.3 If in respect of any Operating Fee Period the Adjusted Periodic Payment is less than the Actual Periodic Payment then the Monthly Operating Fee in respect of the final month in that Operating Fee Period shall be reduced by an amount equal to the Adjustment Amount for that Operating Fee Period.

5.9. The parties acknowledge that with effect from the CS Completion Date the Monthly Operating Fee includes:

(i) a Transaction volume cost element of 7%, which is based upon the Transaction volume forecast as set out in Annex 2 to this Schedule; and

(ii) an Outlet cost element of 32%, which is based upon the parties' intention that the Contractor will roll out the Core System to 18,527 Outlets.

The amount of the Transaction volume cost element shall be adjusted for each month by multiplying it by the proportion which the actual Transaction volume (calculated in accordance with Annex 3 to this Schedule 4) in respect of that month bears to the Transaction volume forecast in respect of that month (ascertained by dividing by 12 the annual forecast for the relevant year set out in Annex 2 to this Schedule A12).

The Outlet cost element shall be adjusted for each month by multiplying it by the proportion which the average number of Outlets to which Roll Out had occurred during that month (calculated by adding the number of Outlets to which Roll Out had occurred on the last day of that month to the number to which Roll Out had occurred on the last day of the immediately preceding month (after deducting in each case all Outlets to which Roll Out shall have occurred but which shall have subsequently closed or ceased to be automated at the relevant time) and dividing by two) bears to 18,527.

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5.10.1 Those Outlets which as at 15 September 2000 are included in the Roll Out Programme and have been made ready for installation ("RFI") but which are subsequently closed shall be removed from the Programme, such removal to be applied to Part A of Annex 1 to this Schedule as follows. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part A following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part A from the agreed baseline date.

5.10.2 Those Outlets which as at 15 September 2000 are included in the Roll Out Programme but which are closed before being made ready for installation shall be removed from the Programme, such removal to be applied as a reduction to Part B of Annex 1 to this Schedule as follows. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part B following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part B from the agreed baseline date.

5.10.3 The number of RFI'd Outlets in Part A of the Roll Out Programme suspended by POCL after 15 September 2000 in excess of the quota allocated to POCL for this purpose (calculated as described below) shall be removed from Part A and added to Part B of the Roll Out Programme. The Outlets shall be removed on a pro-rata basis from each of the weeks in Part A following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be removed as a percentage of the current number of Outlets in Part A from the agreed baseline date. The Outlets shall be added on a pro-rata basis to each of the weeks in Part B following a baseline date to be agreed with POCL. The pro-rating shall be based on the number of Outlets to be added as a percentage of the current number of Outlets in Part B from the agreed baseline date. The quota allocated to POCL for this purpose shall be calculated for each week in question as:

(number of Outlets scheduled for installation in that week – number of Outlets planned for installation in that week) x [64%].

5.10.4 Those pre-RFI Outlets which are suspended by POCL after 15 September 2000 shall remain in Part B of the Roll Out Programme provided that they are released by POCL into the Programme in accordance with paragraph 5.10.8 as Fully Compliant Outlets.

5.10.5 In respect of the following Outlets, Roll Out shall take place under the Operational Business Change regime (subject to paragraph 5.10.6), namely:-

(a) those Outlets in Part B of the Roll Out Programme; and

(b) those Outlets in Part A of the Roll Out Programme which for reasons other than POCL withdrawal or suspension from the Programme cannot be installed prior to 12 March, 2001. For the avoidance of doubt such Outlets shall continue to be regarded as Part A Outlets for Roll Out milestone purposes.

5.10.6 The cost of installation of Outlets as Operational Business Change as referred to in paragraph 5.10.5 is included in the Roll Out Payment (but without prejudice to the provisions of paragraph 6.1 of, and Annex 4 to, this Schedule A12) and shall be disregarded for the purposes of calculating other charges payable from time to time in respect of Operational Business Change, except, in each case, where the work carried out in respect of the Outlet takes place after the end of the week commencing 14 June, 2001 (other than where the delay in carrying out such work arises as a result of Default by the Contractor or where such outlet requires a Mobile Counter Configuration which had not been made available by the Contractor to the reasonable satisfaction of POCL). Where the aforesaid exception applies the Contractor may be required to carry out the relevant work as Operational Business Change but subject to the normal Operational Business Change charges applicable to that work.

5.10.7 Subject to paragraph 5.10.8, Outlets which are transferred to the Operational Business Change regime under paragraph 5.10.5 shall be taken into account in calculating the total number of Outlets at which installation of counter equipment is to take place for the purpose of determining whether POCL is entitled to make a retention, or required to refund any retention, under paragraph 3 of Part A of Schedule A12.

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5.10.8 Where pursuant to paragraph 5.10.3 above an Outlet becomes subject to the Operational Business Change regime and by 30 June, 2001 POCL shall have failed to instruct the Contractor to schedule that Outlet for installation of counter equipment by 30 November, 2001 then (except where such failure is as a result of a Default by the Contractor or where such Outlet requires a Mobile Counter Configuration which shall not have been made available by the Contractor to the reasonable satisfaction of POCL):

(a) that Outlet shall cease to be taken into account in calculating the number of Outlets requiring to be installed for the purpose of determining whether POCL is entitled to make a retention, or required to refund any retention, under paragraph 3 of Part A of Schedule A12: and

(b) the Contractor shall not be obliged to carry out the installation of counter equipment in that Outlet under paragraph 5.10.6 above, but may be required to do so as Operational Business Change, subject to the normal Operational Business Change charges applicable to that work.

5.11. The above Charges are based on the POCL Services comprised in the Core System Release. For the avoidance of doubt the payments cover all the Contractor's costs relating to all aspects of the Core System, including without limitation maintenance of the POCL Service Infrastructure, help desk support, all telecoms charges including line costs and usage charges, and Management Information Systems.

6. INFRASTRUCTURE PROGRAMME IN OUTLETS

6.1. In respect of the cost of site preparations in and modifications to Outlets, the Contractor and POCL have agreed (i) a budget and contributions thereto and (ii) the allocation of responsibility as to which party is to bear the cost of actual costs exceeding budget costs as set out in Annex 4 to this Schedule.

6.2. In addition the Contractor will provide flat screens in all non-crown post offices for no additional charge.

6.3. The reasonable costs of maintaining power supply at National Lottery node post offices are to be borne by the Contractor.

7. IN OFFICE DATA MIGRATION AND TRAINING CREDIT

7.1. POCL and the Contractor shall comply with their respective obligations in relation to in-office data migration set out in the Migration Specification.

7.2. In consideration for POCL agreeing to carry out the work referred to in paragraph 7.1 above:-

7.2.1 the first Progress Payment referred to in paragraph 1 of this Schedule A12 shall be reduced by £500,000 and each of the three subsequent Progress Payments shall be reduced by £1,500,000;

7.2.2 Pathway shall provide to POCL 25 training courses (excluding refresher courses) in accordance with the Migration Specification; and

7.2.3 Pathway shall provide to POCL 25 laptops in accordance with the Migration Specification.

7.3. Each training course in addition to the 25 training courses referred to in paragraph 7.2.2 which POCL may require Pathway to provide shall be charged at a rate of £6,345 per initial course and £1, 950per refresher course.

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7.4. Subject to paragraph 7.5, each laptop in addition to the 25 laptops referred to in paragraph 7.2.3 which POCL may require Pathway to provide shall be charged at a rate of £1,285 per laptop.

7.5. To the extent that POCL reasonably requires more than 25 laptops in order to comply with its obligations under paragraph 7.1 as a result of the distribution of ECCO + Outlets in the Roll Out Programme, then Pathway shall provide to POCL such additional laptops at no additional charge.

7.6. The Contractor shall provide training for POCL staff and sub-postmasters in the use of the Core System in accordance with CCN 286(d), as modified to take account of the removal of the Benefit Payment Card and to provide POCL with training to a value equivalent to the costs saved under CCN 286(d) as a result of the removal of the Benefit Payment Card.

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PART B - CHARGES FOR SERVICES AND PRODUCTS OTHER THAN CORE SYSTEM SERVICES

8. OPTIONAL POCL SERVICES

8.1. Operational Business Change

Subject to Clause 202 of the Codified Agreement, POCL shall pay for the cost of the Contractor carrying out Operational Business Change in excess of the limits set out in Annex 5 to this Schedule A12 on an incremental basis at marginal cost plus 10 per cent. Prices for such Services and for other Services which are to be treated as Operational Business Change shall be agreed by the parties as soon as practical in accordance with the principles set out in the Operational Business Change Catalogue.

8.2. Out of Hours Support (Site Visits)

Out of Hours Support (site visits) shall be charged at the hourly rates set out in the table below.

Period	Rate per person/hour From 01/01/2002 (RPI Baseline)
Outside to POCL Core Day	£61.76
Saturdays and Sundays	£72.98
Public holidays	£84.22
Call-out charge	£112.27

8.3. Training

Training provided by the Contractor in accordance with Schedule C01 paragraph 1(a) shall be charged at the following rates:-

Training			Charge from 01/01/2002 (RPI Baseline)	
Course	Duration (Days)	No. of Delegates	Charge (Venue Incl.)	Charge (Venue not Incl.)
Counter Managers	(1.5 days)	6	£1844.82	£1504.46
Counter Assistants	1	6	£1232.57	£999.95
ECCO+ Counter Assistants	1	6	£1232.57	£999.95
Combined CM/CA On-site	(1.5 days)	3	-	£751.226
Combined CM/CA in KPL Venue	(1.5 days)	6	£1844.82	-
Train the Trainer	5	6	£6819.40	£5005.80
Auditors	2	6	£2342.28	£1866.98
Auditors & Investigators	3	6	£3337.20	£2703.80
Counter Managers for RNMs	3	6	£2839.74	£2227.48
Counter Managers for HFSOs	3	12	£5460.96	£4229.40
* HFSO Refresher	1	12	£1950	£1548
* HFSO – MiMAN	4	12	£4898	£3314
* HFSO – MiECCO	1	12	£1447	£1051

* The courses marked * are fixed price and not related to the RPI baseline

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Notes:

1. The pricing given is based on a standard day rate, as can be seen from the congruence between courses of the same length. However, there is a variation in price, which is caused by the number of delegates and the number of the trainers needed to run the course. Specifics that vary the course price from the standard are as follows:

- The course handout is the same size for all courses (barring the Train the Trainer).
- Some courses require a higher skilled trainer to run them due to the subject matter (notably the Auditors, Auditor/Investigators and Train the Trainer courses).
- The handout on the Train the Trainer event is a full course kit (including script and OHP slides) rather than the standard workbook and is charged accordingly.
- The length of day of the Counter Assistants and ECCO+ Counter Assistants courses incurs an overtime payment for the trainers presenting the course. This payment is not needed for the longer duration courses.
- The standard day rate applies for courses of up to 6 delegates. Where a course allows more than 6 delegates, two trainers will be required to run the course. Two vans will also be required to transport the extra equipment required.
- Courses that have more than 6 delegates require larger classrooms, which are priced at a higher rate.

2. ICL Pathway will determine the venue to be used for these events. However, if Post Office Counters Limited wishes to recommend a suitable venue, we will make best efforts to use it as long as it meets the minimum criteria that ICL Pathway apply to training venues.

3. The specification of the laptop equipment to be used as part of HFSO training events is held as part of the standard training specification documents. The availability of laptop PC's is covered in Section 7.4 of Schedule A12 of the codified agreement.

4. The charges above for HFSO MiMAN and MiECCO courses reflect the charges laid out in Section 7.3 of Schedule A12 of the Codified Agreement. When the Codified Agreement was originally drawn up this training was envisaged as one course of 5 days duration, but has subsequently been split into two courses of 4 days and 1 days duration with the charge in 7.3 apportioned between them.

   The pricing for the HFSO courses takes into account the need for 2 trainers to attend each course. The pricing for the HFSO MiMAN and HFSO MiECCO courses is based on ICL Pathway's original proposal that a single ICL Pathway trainer would present the course, supported by a POCL expert. Therefore, the price is lower than the day rate indicated by the Counter Manager for HFSO and HFSO Refresher courses.

The prices quoted are per course and the number in the column titled "No of Delegates" indicates the maximum number of delegates. These prices assume that the courses are run during the standard working week (Monday to Friday, 9am - 6pm). It is also assumed that courses of more than one days duration are to be run on consecutive days and will not span across weekends.

9. POCL CLIENT SERVICES

The operational element of POCL Client Services provided by the Contractor shall be charged at the Contractor's marginal running costs.

10. ADDITIONAL POCL SERVICES

Charges for Additional POCL Services shall be as agreed between POCL and the Contractor from time to time.

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10.1. **D104 Weigh Scales - connection service to Horizon platform**

10.1.1. D104 scale successfully transferred to Horizon system at time of Horizon system installation £31.22; or

D104 scale tested but found not to be working at Horizon system installation £31.22

10.1.2. Subsequent visit to transfer D104 scale to existing Horizon system (charge per visit) £102.84

10.1.3. The charges stated in 10.1.1 and 10.1.2 above are based on the certified 1Kg weight held by the subpostmaster being available.

10.1.4. Supply of second data cable for connection to two Horizon platforms:

- 1 to 1,000 second data cables — No Charge
- Over 1,000 (charge per cable) — £12.66

10.1.5. Supply thirty (30) 1 kilogram brass working standard weights supplied calibrated to M1 tolerance £3,559.78

10.1.6. POCL shall give not less than one month's notice in writing that the Contractor is to provide the certified weights so that it will not impact the installation timetable.

10.1.7. Note that any cables supplied as part of any of the above services become the property and responsibility of POCL following the successful connection of the D104 weigh scales to the Horizon platform.

10.1.8. All charges in section 10.1 are from 1/1/2002 (RPI baseline).

10.2. **Hardware Euro Capability**

10.2.1. Carrying out by ICL Pathway of an analysis to identify needs for "Hardware Readiness": no charge.

10.2.2. Upgrade the firmware in Ithaca counter printers in the Contractor's stock (but not installed in Post Offices) so that they can print the Euro symbol (ε): £16.50 per printer upgraded, to a maximum of 18,307 printers.

10.2.3. Upgrade keyboards in the Contractor's stock (but not installed in Post Offices) so that they have a Euro symbol (ε) on one of the keys: £0.40 per keyboard upgraded, to a maximum of 18,000 keyboards.

10.2.4. In respect of the Additional POCL Services referred to in paragraphs 10.2.2 and 10.2.3 of this Schedule A12, the Contractor will invoice in arrears every fortnight commencing two weeks after the upgrade programme starts, with payment due 30 days after the date of invoice. Each invoice will be for upgrades that have actually been carried out by the date of the invoice.

11. CORE SYSTEM PRODUCTS

The costs of supply of Core System Products are included within the Charges referred to in Part A of this Schedule A12.

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12. OPTIONAL PRODUCTS

12.1 The Charges for Optional Products shall be the manufacturer's recommended list prices from time to time less the following discounts:-

Product	Discount
Back-office printer	20%
Counter printer	40%

12.2 The Contractor shall supply mobile configurations beyond the upper limit specified in Annex 5 to this Schedule A12 if requested by POCL with reasonable notice to allow the Contractor to convert fixed single position gateway configurations to mobile configurations. The supply of such additional configurations shall be instead of single position gateway configurations, such that the overall combined number of single position gateway configurations and mobile configurations shall be within the aggregate of limits of such systems as set out in row 5 to Annex 5 to this Schedule A12. The Contractor shall charge POCL £720 per mobile configuration beyond the limit specified in row 8 of Annex 5 to this Schedule A12.

13. ELECTRICAL WIRING

Electrical wiring carried out by the Contractor pursuant to Clause 406.2 of the Codified Agreement or in connection with Operational Business Change shall be charged in accordance with whichever of the following is the relevant measured term book for such work, plus 15 per cent.:-

- Luckins (latest edition)
- Trade Service Information (latest edition)
- Prestige ESP 5 Estimating Package.

Where such rates are not applicable, charges shall be calculated on a time and materials basis as follows:

Item	Charge from 01/01/2002 (RPI Baseline)
Electrical labour, normal working hours	£33.67 per hour
Materials	Cost to the CONTRACTOR's subcontractor plus 30%

14. TIME AND MATERIALS RATES

Wherever in the Codified Agreement or any of its schedules Services are to be supplied by the Contractor on a time and materials basis, unless expressly provided otherwise, the following rates will apply, a working day being classified as 09.00-17.30 Monday to Thursday and 09.00-17.00 on Friday:

Professional services	Rate per working day From 01/01/2002 (RPI Baseline)
Software Engineer	£841.00

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Project Manager	£1,009.00
Senior Consultant (1)	£1,346.00
Senior Consultant (2)	£1,776.00
Senior Management	£2,030.00

The above charges will be subject to discounts for continuous periods of at least six months, based on a five (5) day working week excluding public and bank holidays. Travel and subsistence will be chargeable separately.

Where further releases of Core System software are provided by the Contractor on the basis of appropriate time and material charges pursuant to Clause 301.10 of the Codified Agreement:

(a) POCL shall also reimburse to the Contractor all expenses directly incurred by the Contractor in connection with such further releases; and

(b) such charges shall be invoiced monthly in arrears.

15. ADJUSTMENT TO CHARGES

The Charges in paragraphs 8.2, 8.3, 10.1, 13 and 14, and in paragraph 16 where indicated within that paragraph, shown as being from 01/01/2002, shall be subject to increases with effect from 01/01/2003 and annually thereafter during the term of this Codified Agreement. Such increases will be capped at the percentage increase in RPI as measured by comparison to the RPI index of twelve months earlier e.g. the increase applied with effect from January 2003 would be capped at the difference between the All Items RPI Index at December 2001and December 2002 (the percentage increase to be applied shall be taken to two decimal places).

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16. CHARGES ARISING FROM THE CHANGE CONTROL PROCEDURE

16.1. From time to time as part of the Change Control Procedure, the parties may agree that other charges are applicable. Where a CCN introduces a non-recurring charge, the arrangements for the payment of that charge shall be as specified on the appropriate CCN, taking into account the appropriate provisions of this Codified Agreement. Where a CCN introduces a recurring charge over the term of the Codified Agreement (or such shorter period as may be specified on the CCN), the payment arrangements for that charge shall be incorporated into the table below. The notes column in the table below may be used to highlight other specific variations to standard charging provisions agreed as part of the CCN (e.g. a shorter period than the full term of the Codified Agreement).

CCN	Description of charge	Initial payment due	Frequency of charge	Periodic charge value (1/1/2002Baseline)	Indexation provision	Notes
CCN641a	Disaster recovery for Huthwaite Gateway:					
	• Equipment rental	Gateway agreed as ready for service	Quarterly in advance	£11,000	Not indexed	
	• Maintenance and support	Gateway agreed as ready for service	Quarterly in advance	£21,766.31	Subject to RPI	
CCN679b	Message Broadcast Service	After the first quarter following implementation of the service	Quarterly in arrears	£105.20 Fixed charge per message PLUS £0.036 variable charge per outlet per valid message. This charge has been discounted by 10% to £0.0324 on the basis that there are no SLAs applicable to this service and that there is no performance measurement or reporting other than the existing non-polled outlet report.	Subject to RPI	
CCN733b	Automated Payments Client Spec. for DVLNI					
CCN733b	Equipment maintenance &	Upon migration which was deemed to be	Annually in	£1,215.82	Not indexed	

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	ISDN rental	16.05.01	advance			
CCN733b	Administration & support	Upon migration which was deemed to be 16.05.01	Annually in arrears	£2,018.03	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN739	Introduce Standard Life As An AP Client With A Direct Connection To ICL Pathway.					
	Equipment maintenance & ISDN rental	Upon migration which was deemed to be 06.04.01	Annually in advance	£1,215.82	Not indexed	
	Administration & support	Upon migration which was deemed to be 06.04.01	Annually in arrears	£2,018.03	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN800	Connection to Girobank Disaster Recovery site					
	Equipment maintenance and ISDN rental	Gateway agreed as ready for service 01/09/01	Annually in advance	£1,126.73	No indexed	
	Administration and support	Gateway agreed as ready for service 01/09/01	Annually in arrears	£2,004.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates

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	Preparation and operation of regular test (max two per year)	Gateway agreed as ready for service 01/09/01	Annually in arrears	£10,020.00	Subject to PRI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN807	Changes to AP Client take-on and Token Verification services					
	Client Take on Facility	Upon start of service which was deemed to be April 2002	Quarterly in arrears	£6,888.75	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
	Client Take on (regression) Facility	Upon start of service which was deemed to be July 2002	Quarterly in arrears	£2,755.50	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN832	Introduce Quantrill as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance and ISDN rental	Upon connection of Quantrill as an APS Client which was deemed to be 05/11/01	Annually in advance	£1,126.73	Not indexed	
	Administration and support	Upon connection of Quantrill as an APS Client which was deemed to be 05/11/01	Annually in arrears	£2,004.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer

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						manpower rates
CCN869b	Introduce AON Ltd as an APS Client with a Direct Interface to ICL Pathway.					
	Equipment maintenance	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in advance	£830.91	Not Indexed	
	Administration and support	Upon connection on AON Ltd as an APS Client which was deemed to be 11/03/02	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN872	Introduce ESP as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of ESP as an APS Client which was deemed to be 07/03/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of ESP as an APS Client which was deemed to be 07/03/02	Annually in advance	£830.91	Not Indexed	
	Administration and support	Upon connection of ESP as an APS Client which was deemed to	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred

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		be 07/03/02				for Software Engineer manpower rates
CCN895	Introduce National Savings as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of National Savings as a direct APS Client.	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of National Savings as a direct APS Client.	Annually in advance	£830.91	Not indexed	
	Administration and support	Upon connection of National Savings as a direct APS Client.	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer manpower rates
CCN937	Introduce First Rate as an APS Client with a Direct Interface to ICL Pathway					
	Equipment maintenance	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in advance	£295.82	Subject to RPI	
	ISDN Rental	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in advance	£830.91	Not indexed	
	Administration and support	Upon connection of First Rate as an APS Client which was deemed to be 01/06/02	Annually in arrears	£3,006.00	Subject to RPI	Price includes 20% contingency and should be invoiced on actual time incurred for Software Engineer

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manpower rates

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PART C: NETWORK BANKING SERVICE CHARGES

17. NETWORK CHARGES

17.1 Types of Outlet

17.1.1 There are seven Outlet categories referred to in this paragraph 17 for network charging purposes, as follows:

(a) Bronze Service Outlet;

(b) Silver Part Time Service Outlet that seeks to use a Fixed Connection for each Banking Transaction (for which a Request is generated) occurring in that Outlet in the periods 08:30 to 10:30 Monday, 08:30 to 09:30 Tuesday and 08:30 to 09:30 Thursday. For the purposes of this paragraph 17, each such Outlet is referred to as "Type A";

(c) Silver Part Time Service Outlet, that seeks to use a Fixed Connection for each Banking Transaction (for which a Request is generated) occurring in that Outlet between 08:30 to 12:30 on Saturday. For the purposes of this paragraph 17, each such Outlet is referred to as "Type B";

(d) Silver Daytime Service Outlet that seeks to use a FRIACO Fixed Connection;

(e) Silver Daytime Service Outlet that seeks to use a non - FRIACO Fixed Connection;

(f) Silver 24 Hour Service Outlet that seeks to use a FRIACO Fixed Connection; and

(g) Silver 24 Hour Service Outlet that seeks to use a non - FRIACO Fixed Connection.

17.1.2 The allocation of Outlets between the categories identified in paragraph 17.1.1 of this Schedule A12 shall be made in accordance with paragraph 2.6 of Schedule N01 and subject to the additional constraint that the number of Silver Daytime Service Outlets seeking to use a FRIACO Fixed Connection in each calendar month shall not be less that 6000. There are no other limits or constraints upon the number of Outlets in each category imposed by this paragraph 17 for charging purposes.

17.2 Network Implementation Phase

17.2.1 The communications network required to support the NBS shall be implemented during the period 1 April 2002 to 31 January 2003 (inclusive) (the "Network Implementation Phase").

17.2.2 The Contractor's Charges for the communications network during the Network Implementation Phase shall be in accordance with the following table:

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Item	Unit Charge	Number of units	Total Charge: during Network Implementation Phase	Payments due
Bronze Service Outlet Charges	£27,777.78 per month in the Network Implementation Phase	9 months	£250,000.00	Payments of the Unit Charge for the number of units specified are due in accordance with paragraph 23 of this Schedule A12
Silver Daytime Service Outlets (FRIACO)	(a) £55,555.56 per month in the Network Implementation Phase; plus (b) £81 per month for each of the 1,350 FRIACO Ports provided in the Network Implementation Phase, being a monthly Charge of £121,500.00	9 months	£500,000.00; plus £1,093,500.00	Payments of the Unit Charge for the number of units specified are due in accordance with paragraph 23 of this Schedule A12
Installation of communication links to Data Centres	£166,500	One	£166,500	Payment due on 1 July 2002.
Total	-		**£2,010,000**	

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17.3 **Network Service**

17.3.1 The full communications network required to support the NBS shall be available from 1 February 2003 until expiry of this Codified Agreement or termination, if earlier.

17.3.2 With effect from 1 February 2003, the Contractor's Charges (fixed and variable elements) for the provision of the communications network shall be calculated by the Contractor (to reflect the monthly allocation of Outlets between categories pursuant to paragraph 17.1.2) in accordance with the following table:

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Outlet Type	Fixed Monthly Charges	Variable Monthly Charges
Bronze Service Outlets	£25,000 per month for all such Outlets, irrespective of the number of them.	2.5p per Banking Transaction initiated in such Outlets.
Silver Part Time Service Outlets (Type A and Type B)	£52.80 per month for each Type A Outlet; and £52.80 per month for each Type B Outlet.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets (Type A and Type B, as applicable).
Silver Daytime Service Outlets using FRIACO Fixed Connections	£50,000 per month for all such Outlets; plus either of the following whichever is applicable: . (a) £81 per month per Outlet, if the total number of such Outlets is between 6000 and 10,000, or (b) £79 per month per Outlet, if the total number of such Outlets exceeds 10,000. The Charge in (a) or (b) above (whichever applies) shall be applicable to each of the Outlets making up the total number.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets.
Silver Daytime Service Outlet, using non –FRIACO Fixed Connections	£280 per month for each such Outlet.	2.5p per Banking Transaction initiated in such Outlets outside the times that Fixed Connections are due to be used in such Outlets:
Silver 24 Hour Service Outlets using FRIACO Fixed Connections	£260 per month for each such Outlet.	No charge.
Silver 24 Hour Service Outlets using non- FRIACO Fixed Connections	£520 per month for each such Outlet.	No charge.

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17.3.3 The fixed elements of the Charges calculated in accordance with the table above shall become due for payment in accordance with paragraph 23 of this Schedule A12. The amount due for payment by POCL in respect of the variable elements of those Charges shall accrue due for payment on a daily basis, the daily increment reflecting the number of Banking Transactions initiated each day.

17.3.4 Banking Transactions shall not be taken into account when calculating EPOSS Transaction volumes for the purposes of paragraph 5.9 of this Schedule A12.

17.4 Implementation of network infrastructure

The Contractor's Charge for implementing the NBS communications network infrastructure shall be the fixed sum of £1,196,291.00, payable in monthly instalments commencing January 2002 as set out in Annex 6 to this Schedule A12.

17.5 Network Operating Charges

The Contractor's Charge for operating the NBS communications network, shall be the fixed sum of £5,032,188.00, payable in monthly instalments commencing August 2002 as set out in Annex 6 to this Schedule A12.

17.6 Network Hardware and Software

The Contractor's Charge for Hardware and Software required for the NBS communications network shall be the fixed sum of £1,107,653.00, payable in two instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and the second instalment shall become due on 1 July 2002, as specified in that Annex.

17.7 Communications Network

If at any time the parties consider that Energis Communications Limited ("Energis") may become insolvent:

17.7.1 they shall enter into good faith discussions to consider the appropriate course of action; and

17.7.2 the Contractor shall prepare a strategy document (the "Energis Strategy Document") for approval by POCL (such approval not to be unreasonably withheld). The Energis Strategy Document shall address steps to be taken by the parties for the replacement (or otherwise) of Energis as subcontractor where, as a result of an Insolvency Situation, Energis ceases to fulfil its obligations to the Contractor in respect of the communications network used in connection with the NBS and the Existing Services.

17.8 If as a result of an Insolvency Situation Energis fails to comply with its contractual obligations to the Contractor and/or Energis ceases to provide the elements of the communications network it has contracted with the Contractor to provide:

17.8.1 the parties shall implement such provisions of the Energis Strategy Document as may be applicable in the circumstances;

17.8.2 the Contractor shall use all reasonable endeavours as would be used by a party negotiating on its own account to procure on the best possible commercial terms a supplier or suppliers to replace Energis in providing the elements of the NBS communications network formerly provided by Energis (but shall not be required to enter into a contract with a supplier or suppliers save to the extent the parties agree to the appointment of a substitute supplier or suppliers in accordance with paragraph 17.8.4 below);

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17.8.3 the Contractor shall disclose to POCL:

(a) all such information relating to the charges proposed by any prospective replacement supplier; and

(b) a breakdown of the Energis charges in respect of the communications network current at the time of the Insolvency Situation

as the Contractor is permitted by the third party and Energis (as the case may be) to disclose (the Contractor having used all reasonable endeavours to procure that it is permitted by the third party and Energis to disclose to POCL such charging information); and

17.8.4 the parties shall agree through the Change Control Procedure:

(a) whether or not a substitute supplier or suppliers is to be appointed in respect of provision of the NBS communications network;

(b) any resultant changes in the Contractor's Charges which are to be paid by POCL in respect of the NBS communications network (whether due to the costs of terminating the contractual arrangements with Energis, transition to a substitute supplier or suppliers, the level of charges payable to the substitute supplier or suppliers or otherwise and having regard to the proportion of such costs and charges which relate to the Existing Services); and

(c) any changes required to the Codified Agreement.

17.9 The Contractor shall not be liable for any failure to achieve the NBS Service Levels or its obligations in respect of the NBS to the extent that it can show that the failure was due to Energis' ceasing to comply with its obligations to the Contractor and (where applicable) transition to new supplier or suppliers.

17.10 If and for so long as either party, acting reasonably, considers that Energis may become insolvent the Contractor shall use its continuing reasonable endeavours to procure that Energis consents to the release of the information referred to in Paragraph 17.8.3 (b) of this Schedule A12 in the event of an Insolvency Situation of Energis.

17.11 In the event that the parties agree through the Change Control Procedure that a replacement supplier will not be appointed in respect of the NBS communications network the Contractor shall be released from its obligations in respect of provision of the NBS network communications link and its obligations to achieve NBS Service Levels which can not be achieved as a result of the communications network no longer being supplied and/or Energis' ceasing to comply with its obligations to the Contractor due to an Insolvency Situation, such release to be documented through the Change Control Procedure.

17.12 Nothing in paragraph 17 of this Schedule A12 shall:

17.12.1 act to reduce or amend the obligation of the Contractor to provide the Existing Services on the terms of this Codified Agreement notwithstanding any insolvency of Energis; or

17.12.2 act to reduce or amend the liability of the Contractor under this Codified Agreement including without limitation in relation to the POCL Services, the NBS, the Existing Services or any Service Levels other than as set out in Paragraphs 17.9 and 17.11 of this Schedule A12.

17.13 The occurrence of an Insolvency Event of Energis shall not of itself entitle the Contractor to increase its Charges in respect of the Existing Services.

17.14 For the purpose of paragraph 17 of this Schedule A12:

17.14.1 "insolvency" in relation to Energis means:

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(a) the commencement of any procedure with a view to the winding-up or re-organisation of Energis (other than for the purpose of a solvent amalgamation or reconstruction);

(b) the appointment of an administrator, receiver, administrative receiver or trustee in bankruptcy in relation to Energis or all or substantially all of its assets;

(c) the holder of any security over all or substantially all of the assets of Energis taking any step to enforce that security; or

(d) all or substantially all of the assets of Energis becoming subject to attachment, sequestration, execution or any similar process; and

17.14.2 "Insolvency Situation" means actual, intended or potential insolvency.

18 DESIGN, DEVELOPMENT, TESTING AND IMPLEMENTATION OF THE NBS

18.1 T&M Work

18.1.1 The rates which shall be used to calculate:

(a) the Contractor's Charges for T&M Work including, without limitation, the following work:

(i) design, development and testing of the NBS;

(ii) development of software to support the NBS communications network;

(iii) PIN Pad development; and

(iv) remote PIN Pad key management development, and

(b) for the purposes of the T&M Budget for each T&M Work task in the NB Project Plan,

shall be as set out in the following table:

Professional Service Grade	Rate per working day
Software Engineer	£626.25
Project Manager	£751.50
Consultant 1	£1,002.75
Consultant 2	£1,323.00
Senior Management	£1,512.00

18.1.2 Subject to paragraph 18.1.3 of this Schedule A12, the Charges based on the table above shall be calculated on the basis that a working day is equivalent to 8 hours work by one individual, on whichever day of the week or at whatever time of day that work takes place. Having calculated the number of working days worked by an individual (by dividing the total number of hours worked by that individual by 8) the charges due in respect of any remaining period of less than 8 hours shall be the charge for the working day reduced pro rata.

18.1.3 All Contractor personnel who are identified in the organisational charts provided to POCL in accordance with paragraph 5.2 of Schedule N4 as holding manager or director positions or as

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being within the Contractor's Business Consultants Group shall be charged at no more than 8 hours per day (including days worked on weekends) and POCL shall not be charged overtime in respect of those personnel.

18.1.4. Subject to the T&M Budget, Contractor personnel other than those identified in paragraph 18.1.3 of this Schedule A12 may be charged to POCL for extended day working where such working is necessary to achieve the dates for achievement of tasks set out in the NB Project Plan.

18.1.5 Subject to paragraph 18.2.3 of this Schedule A12, the Contractor shall be entitled to invoice POCL and POCL shall pay for T&M Work up to the T&M Budget in respect of such work (as reallocated between tasks or increased in accordance with the provisions of Schedule N04) specified in or derived from the NB Project Plan.

18.1.6 To the extent that a Default by the Contractor causes additional T&M Work to be carried out by the Contractor which would not otherwise have been necessary (at any Level in the NB Project Plan) that work shall be carried out at the Contractor's cost.

18.1.7 Each of the rates specified in the table in paragraph 18.1.1 shall be subject to increases with effect from 1 January 2003 and annually thereafter during the term of this Codified Agreement. Such increase shall reflect the percentage increase in Retail Price Index as measured by comparison to the Retail Price Index of twelve months earlier (the percentage increase in Retail Price Index to be applied shall be taken to two decimal places).

18.2. T&M Work Payment Dates and Retention

18.2.1 The following events (each an "NB Event") relate to payments due to the Contractor for the provision of the NBS:

(a) NB Event 1 occurs upon the achievement of NBS Stage Progression from the NBS Testing Stage to the Full E2E Testing Stage, as defined in paragraph 3.2.1 of Schedule N02.

(b) NB Event 2 occurs upon achievement of NBS Acceptance as defined in 3.1 of Schedule N02, but cannot in any event occur before NB Event 1.

(c) NB Event 3 occurs upon the installation (for the first time) of the Software used for NB Event 2 (as updated at the time of installation) in all automated Counter Positions, mobile configurations (as described in row 8 of Annex 5 to Schedule A12) Admin Positions and trolley based solutions where the NBS is to be made available in accordance with paragraph 2.3 of Schedule N01.

18.2.2 The target dates for each NB Event (each a "Target Date") and other commercial dates are set out below. References in other provisions of this Schedule A12 to such Target Dates shall, be construed as references to such Target Dates as adjusted in accordance with the applicable provisions of Schedule N04 unless the original Target Date is expressly referred to. References to the Rate Reduction Date in this Codified Agreement shall be construed as references to the initial Rate Reduction Date given below, as adjusted in accordance with the applicable provisions of Schedule N4.

(a) The Target Date for NB Event 1 is 11th October 2002.

(b) The Target Date for commencement of NB Pilot (Soft Launch) is 13th January 2003.

(c) The Target Date for NB Event 2 is 7 February 2003.

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(d) The Target Date for NB Event 3 is 31st March 2003

(e) The initial Rate Reduction Date is 11th October 2002.

18.2.3 POCL shall retain a proportion of the value of all payments for T&M Work due to the Contractor as follows:

(a) Prior to NB Event 1 the proportion retained by POCL shall be 20% of the value of payments due to the Contractor for T&M Work carried out prior to NB Event 1. One half of the amount retained shall be allocated to Retention Pot 1, one quarter shall be allocated to Retention Pot 2, the remaining quarter shall be allocated to Retention Pot 3.

(b) Between NB Event 1 and NB Event 2, the proportion retained by POCL shall be 10% of the value of payments due to the Contractor for T&M Work carried out between NB Event 1 and NB Event 2. One half of the amount retained shall be allocated to Retention Pot 2, the remaining half shall be allocated to Retention Pot 3.

(c) Between NB Event 2 and NB Event 3, the proportion retained by POCL shall be 5% of the value of payments due to the Contractor for T&M Work carried out between NB Event 2 and NB Event 3. The amount retained shall be allocated to Retention Pot 3.

18.2.4 The sums held in each Retention Pot by POCL shall become due and payable to the Contractor as follows:

(a) upon the occurrence of NB Event 1, the sum held in Retention Pot 1 shall become due and payable to the Contractor;

(b) upon the earlier of occurrence of NB Event 2 and the date 3 calendar months after the commencement of NB Pilot (Soft Launch), the sum held in Retention Pot 2 shall become due and payable to the Contractor;

(c) upon the occurrence of NB Event 3, the sum held in Retention Pot 3 shall become due and payable to the Contractor, save that POCL shall be entitled to withhold one tenth of the value of Retention Pot 3 for each Medium Severity NBS Acceptance Incident still outstanding at that time, and POCL shall be entitled to withhold a further one tenth of the value of Retention Pot 3 should there be any Low Severity NBS Acceptance Incidents outstanding at that time;

(d) the sum withheld under (c) above in respect of each Medium Severity NBS Acceptance Incident shall become due and payable to the Contractor once that incident is rectified;

(e) the sum withheld under (c) above in respect of all Low Severity NBS Acceptance Incidents shall become due and payable to the Contractor once all such low severity incidents have been rectified; and

(f) the Contractor shall be entitled to invoice POCL (and POCL shall pay) for each sum held in a Retention Pot, after that sum becomes due and payable in accordance with (a) to (e) above.

18.3 T&M Work rate reduction

In the event that NB Event 1 has not occurred on or before the Rate Reduction Date, the Contractor shall from that date reduce by 50% the rates (set out in paragraph 18.1 of Schedule A12) used to calculate the amounts to be paid by POCL for T&M Work, and that 50%

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reduction shall remain in force until such time as NB Event 1 occurs. For the avoidance of doubt:

(a) the Contractor may revert to the rates in paragraph 18.1 of Schedule A12 for T&M Work undertaken after the actual date of achievement of NB Event 1; and

(b) the 50% reduction prior to the actual date of achievement of NB Event 1 is an absolute reduction and the Contractor shall not be entitled to any payment to make up the difference between the 50% and the full rates.

18.4 **Charges for correction of Acceptance Incidents**

Following NB Event 1, the Contractor will be entitled to charge POCL for the correction of NBS Acceptance Incidents outstanding at NB Event 1 until the T&M Budget for NB Event 1 plus the T&M Budget for the Level 2 product finalisation tasks identified in the NB Project Plan which are due to take place after NB Event 1 are exhausted, and the Contractor shall thereafter correct any remaining NBS Acceptance Incidents which were outstanding at NB Event 1 at its own expense.

18.5 **Payment of T&M Budget underspend**

In the event that NB Event 1 is achieved on or before the Rate Reduction Date, then the Contractor shall, upon rectification of all NBS Acceptance Incidents outstanding at NB Event 1, be entitled to a sum (which shall be paid by POCL) equal to 25% of the underspend on the aggregate T&M Budget for all tasks in the NB Project Plan due to be completed on or before NB Event 1 . Such underspend shall be calculated as the difference between that T&M Budget for NB Event 1 and the aggregate of the sums due to be paid to the Contractor for T&M Work to achieve NB Event 1 and the sum due to be paid to the Contractor to achieve the rectification of all NBS Acceptance Incidents outstanding at NB Event 1.

18.6 **T&M Work Discount**

POCL shall be entitled to a discount against the Contractor's Charges for T&M Work carried out in 2002 equivalent (in total) to a sum not exceeding £8,000,000.00. The proportion of that discount that shall be deducted from the Contractor's T&M Work Charges in each month of 2002 shall be as set out in Annex 6 to this Schedule A12. Any such discount unused at the end of 2002 shall cease to be applicable.

18.7 **NBS Implementation Charges**

The Contractor's Charge for NBS Deployment shall be the fixed sum of £3,026,012.00, payable in monthly instalments commencing January 2002, as set out in Annex 6 to this Schedule A12.

19 **NBS OPERATING CHARGES**

19.1 **NBS Customer Service Charges**

The Contractor's Charge for operating and managing the NBS shall be the fixed sum of £9,218,330.00, payable in monthly instalments commencing January 2002 as set out in Annex 6 to this Schedule A12.

19.2 **Audit Record Queries**

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19.2.1 The Contractor's Charge for dealing with Audit Record Queries and Old Format Queries (subject to and in accordance with paragraph 7.3 of Schedule N01) shall be the fixed sum of £792,434.00, payable in monthly instalments commencing March 2003 as set out in Annex 6 to this Schedule A12.

19.2.2 If POCL exercises its option pursuant to paragraph 7.3.6 of Schedule N01 to vary the maximum number of Audit Record Queries and Query Days which the Contractor is required to carry out, the Contractor's Charge specified in paragraph 19.2.1 of this Schedule A12 shall be varied pro rata to reflect that revised maximum, with effect from the same date that that revised maximum becomes effective.

20. HARDWARE AND SOFTWARE PROCUREMENT

20.1 Hardware and Software Charges (non Data Reconciliation Service)

The Contractor's Charges for the provision of Hardware and Software required to operate the NBS (other than that required to operate the Data Reconciliation Service) shall be the fixed sum of £2,062,818.00, payable in instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and each subsequent instalment thereafter shall become due on the first day of the month to which it relates, as specified in that Annex.

20.2 Hardware and Software Charges (Data Reconciliation Service)

The Contractor's Charge for the provision of Hardware and Software required to operate the Data Reconciliation Service shall be the fixed sum of £2,808,072.00, payable in instalments as set out in Annex 6 to this Schedule A12. The first such instalment shall become due on 1 April 2002 and each subsequent instalment thereafter shall become due on the first day of the month to which it relates, as specified in that Annex.

20.3 Phase 2 Hardware upgrade

If POCL gives Phase 2 Notice to the Contractor pursuant to paragraph 12.2 of Schedule N01 the following Charges (which are additional to those set out in paragraphs 20.1 and 20.2 of this Schedule A12) shall apply:

(a) If the date specified in the Phase 2 notice for commencement of Phase 2 (the "Commencement Date") is between 1 September 2003 and 31 May 2004 (inclusive) the Contractor's Charges for upgrading NBS Hardware to support Phase 2 Contracted Volumes shall be the sum of:

(i) £404,452.00, which sum shall become due for payment 5 calendar months prior to the Commencement Date; plus

(ii) £1,059,743.00, which sum shall become due for payment 1 calendar month prior to the Commencement Date.

(b) If the Commencement Date is between 1 June 2004 and 31 March 2005 (inclusive) the Contractor's Charges for upgrading NBS Hardware to support Phase 2 Contracted Volumes shall be agreed under the Change Control Procedure and shall be consistent with prices generally offered in the United Kingdom (at the time the Phase 2 Notice is given) for products of the type required for that Hardware upgrade, provided on similar terms.

21. OPERATIONAL CHARGE DISCOUNT

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POCL shall be entitled to a discount against the Contractor's Charges (specified in paragraphs 17.5 (network operating charges), 19 (NBS operating charges) and 24.4 (PIN Pad Implementation Service (maintenance charges)) of this Schedule A12) equivalent (in total) to a sum not exceeding £6,000,000.00. The proportion of that discount that shall be deducted from such Charges in each month commencing April 2002 shall be as set out in Annex 6 to this Schedule A12.

22. OTHER NBS CHARGES

22.1 The elements of the NBS or services associated with the NBS set out in the table below shall be charged for by the Contractor on a time and material basis using the rates specified:

Reference	Summary (for information purposes only)	Applicable rates and basis of Charges
Schedule N01, paragraph 10.3.1	Co-operation and assistance (following NB Go Live) with developing POCL's network banking automation security policy	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Schedule N01, paragraph 10.4.5	Co-operation and assistance in respect of security breaches and threats	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Schedule N09; paragraph 1.11	Co-operation and assistance with business continuity and fail-over testing of End to End Banking	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by 8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata
Network Banking Transfer Service	The service set out in Schedule N6 to be provided upon termination of the NB/PIN Pad Services or	Rates specified in the table in paragraph 18.1 of this Schedule A12. Charges to be calculated by dividing the total number of hours worked by each individual by

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	the Codified Agreement, as applicable	8 (such 8 hour period constituting a working day to which the relevant day rate shall apply) and in respect of any remaining period of less than 8 hours worked by an individual, that day rate shall be reduced pro rata

22.2 The Charges set out in this part C of Schedule A12 include the Contractor's charges for icons used in NBS software in the Release known to the parties as "BI3". Following Release BI3 the Contractor's Charges for any additional icons which may be required shall be as set out in the CCD entitled *"Horizon Icon Service Prices" (CS/PDN/019)* version 1.0, to be agreed between the parties

22.3 The Contractor's Charges in respect of non-T&M Work agreed pursuant to CCN 970a shall be as specified in the table below:

Description		*Applicable charge and basis for charging*
1	Equipment for preparation of a rig room at the Contractor's premises (including electrical and air conditioning equipment, network ports, racking and cabling). DIT to NBE test rig together with operating software. Additional Hardware including a primary domain controller, agent and KMS server, MIS client, correspondence server, KMS workstation, 3 counter configurations, DRS workstation, authorisation and confirmation agents and host.	£ 146,300 payable on the date of delivery of such to the Contractor by the relevant third party supplier
2	Equipment for upgrade of the DIT to NBE test rig (to include addition of a DWH Host, a primary domain controller, RDMC, KMS admin, Test Director, VPN and 7 counter configurations).	£ 77,400 payable on the date of delivery of such to the Contractor by the relevant third party supplier.
3	2MB comms link from Warwick (NBE site) and operation of said link until 31 March 2003.	£ 18,700 payable on implementation of such link

22.4 All T&M Work carried out pursuant to CCN 970a shall be invoiced and payable in accordance with paragraphs 18 and 23 of part C of this Schedule A12.

23 PAYMENT OF NBS AND NBS RELATED CHARGES

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23.1 Unless expressly stated to be due on a particular date, the amount due for payment by POCL in respect of each monthly Charge or monthly instalment of a Charge set out or referred to in this Part C shall accrue on daily basis commencing the first day of that month, the daily increment being a sum equivalent to the monthly Charge or instalment in question divided by the number of days in that month.

23.2 All Charges set out or referred to in this Part C which become due for payment in each month shall be invoiced monthly in arrears in accordance with Schedule A10 and shall be paid by POCL.

23.3 Each fixed Charge (or portion thereof) stated in part C or part D of this Schedule A12 to be due for payment on a date prior to the date of approval of CCN850 shall become due for payment on the date of approval of CCN850 (notwithstanding the earlier date specified). Within two weeks after the date of approval of CCN850, the Contractor shall submit invoices in respect of those Charges (net of any applicable discount to be allowed in accordance with paragraph 21 of this Schedule A12), as adjusted in accordance with paragraph 23.4 of this Schedule A12.

23.4 The fixed Charges referred to in paragraph 23.3 shall be adjusted by deducting from them all amounts paid or payable (for the services or equipment to which those fixed Charges relate) under invoices submitted under the Network Banking CCNs. Subject to paragraphs 22.2 and 23.5 to 23.9 of this Schedule A12, apart from being obliged to pay (without prejudice to paragraph 10 of Schedule A10) valid invoices submitted under the Network Banking CCNs, POCL shall have no further obligation under the Network Banking CCNs to pay for the services or equipment to which those fixed Charges relate and no further invoices in respect of those services or equipment shall be submitted under the Network Banking CCNs.

23.5 The provisions in this paragraph 23.5 shall apply to charges for T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 and to all Charges for work carried out under CCN 754c and CCN829, and any provisions to the contrary previously agreed by the parties, including those in such CCNs are cancelled.

23.5.1 In this section 23.5, "SRS CCNs" means CCN 754c and CCN 829, and "CCN Date" means the date of approval of CCN850.

23.5.2 The total aggregate Charges for work carried out under the SRS CCNs shall be £2,186,928, of which £1,518,270 (less the payments already made) became payable to the Contractor by the CCN Date. The balance of £668,658 shall become payable to the Contractor upon commencement of the NB Pilot (Soft Launch).

23.5.3 As at CCN Date POCL had paid a total of £1,543,919 to the Contractor in respect of the SRS CCNs and the Contractor shall, within 14 days of CCN Date, issue a Credit Note to POCL for £25,649, being the difference between the amount paid and the amount payable by the CCN Date.

23.5.4 The total aggregate Charges for T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 (inclusive) shall be £3,124,898, of which £2,499,918 (less the payments already made) became payable to the Contractor by CCN Date and the balance of £624,980 is allocated 50% to Retention Pot 1, 25% to Retention Pot 2 and 25% to Retention Pot 3 under the mechanism described in paragraph 18.2.3 (a) of this Schedule A12.

23.5.5 As at CCN Date POCL had paid a total of £2,541,576 to the Contractor in respect of T&M Work carried out under the Network Banking CCNs during the said period and the Contractor shall, within 14 days of CCN Date, issue a Credit Note to POCL for

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£41,658, being the difference between the amount paid and the amount payable by the CCN date.

23.6 Save as set out in paragraph 23.5, the Contractor waives all rights to receive payment from POCL in respect of all work carried out under SRS CCNs at any time and all T&M Work carried out under the Network Banking CCNs during the period 12 April 2001 to 31 December 2001 (inclusive).

23.7 Notwithstanding anything to the contrary in the provisions of the Network Banking CCNs, the total aggregate Charges for T&M work carried out under the Network Banking CCNs during the period 1 January 2002 to 21 April 2002 (inclusive) shall be calculated or re-calculated if already invoiced (as the case may be) in respect of the Network Banking CCNs using the rates and on the basis set out in paragraph 18 of this Schedule A12.

23.8 In calculating or recalculating (as the case may be) the Charges for T&M Work under the Network Banking CCNs in accordance with paragraph 23.7 of this Schedule A12, the Contractor shall apply any discount applicable under paragraph 18.6 of this Schedule A12. If having applied that discount a credit balance is due to POCL, that balance shall be carried forward and applied against the Contractor's Charges in the next invoice to be submitted in respect of T&M Work; and so on (subject to paragraph 18.6 of this Schedule A12) until that balance is exhausted.

23.9 The Contractor's Charges for T&M Work carried out between 22 April 2002 and the date of approval of CCN850 (inclusive) shall be calculated in accordance with paragraph 18 of this Schedule A12.

PART D: PIN PAD, PIN PAD SERVICE AND PAYPOLE CHARGES

24. PIN PADS

24.1 PIN Pad Hardware Procurement

24.1.1 The Contractor's Charges for procuring PIN Pad Units in accordance with paragraph 3.1 of Schedule G12 shall be as follows:

Unit	Unit price	Total number procured (to be delivered in batches):	Total Charge (fixed):
PIN Pad	£221.8290	38,000	£8,429,502.00
Y Cable	£4.4444	38,000	£168,887.20
Smart card reader cover	£0.3333	38,000	£12,665.40
Cable strap	£0.3333	38,000	£12,665.40
		TOTAL	£8,623,720.004

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The Charges for each batch of PIN Pads, cable straps, Y cables and/or smart card reader covers (making up each PIN Pad Unit) delivered to POCL shall become due for payment upon such delivery.

24.1.2 If POCL gives notice to increase the number of PIN Pads Units to be procured by the Contractor pursuant to paragraph 3.2 of Schedule G12, the Contractor's Charges for each additional PIN Pad Unit procured shall be as set out in the table in paragraph 24.1.1 above. The Charges for each batch of PIN Pads, cable straps, Y cables and/or smart card reader covers (making up each such additional PIN Pad Unit) delivered to POCL shall become due for payment upon such delivery.

24.1.3 If POCL gives notice to increase the number of PIN Pads to be held as OBC stock pursuant to paragraph 5.2 of Schedule G12, the Contractor's Charge for each additional PIN Pad Unit procured shall be the sum of £274.00, which sum shall become due for payment upon delivery of that PIN Pad Unit to the Contractor. The Charge for each PIN Pad specified in this paragraph 24.1.3 is subject to the proviso that notice is given to increase the number of PIN Pad Units held for OBC purposes by no more than 1000 on each occasion that such notice is given. For the avoidance of doubt, the Charges specified in this paragraph 24.1.3 shall be in addition to any Charges agreed in respect of PIN Pad related services set out in the Operational Business Change Catalogue.

24.2 PIN Pad Paypoles

24.2.1 The Contractor's Charges for procuring Paypoles in accordance with paragraph 3.1 of Schedule G12 shall be as follows:

	Unit charge:	Total number procured (to be delivered in batches):	Charge (fixed):
Paypole	£37	37,000	£1,369,000.00
Paypole boxes (for delivery of Paypoles)	£0.97	37,000	£35,890.00
		Total Charge (fixed):	£1,404,890.00

The Charges for each batch of Paypoles (and boxes) delivered to POCL shall become due for payment upon such delivery.

24.2.2 If POCL gives notice to increase the number of Paypoles to be procured by the Contractor pursuant to paragraph 3.2 of Schedule G12, the Contractor's Charge for each additional Paypole procured shall be the sum of £37.97 (including box), which sum shall become due for payment upon delivery of that Paypole to POCL.

24.2.3 If POCL orders further Paypoles in accordance with paragraph 6.5 of Schedule G12 (on 100 days' notice), the Contractor's Charge for each additional Paypole procured (including box) shall be the sum of £40.47, which sum shall become due for payment upon delivery of that Paypole to POCL. The Charge for each Paypole specified in this paragraph 24.2.3 is subject to the proviso that each such order for is for no more than 1000 Paypoles.

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24.3 **PIN Pad Implementation Service Charges (other than maintenance)**

The Contractor's Charge for the PIN Pad Implementation Service (other than the maintenance element of that service) shall be as follows:

(a) The fixed sum of £993,290.00, payable in monthly instalments commencing October 2001 as set out in Annex 6 to this Schedule A12.

(b) In respect of each No Fault Found PIN Pad described in paragraph 4.5 of Schedule G12 (where a charge is payable in accordance with that paragraph) which is returned to the Contractor in accordance with paragraph 4.3(D) of Schedule G12, the sum of £72.50.

(c) In respect of each PIN Pad installation completed by the Contractor in the circumstances described in paragraph 4.13 of Schedule G12, (where a charge is payable in accordance with that paragraph), the sum of £68.50.

24.4 **PIN Pad Implementation Service (Maintenance) Charges**

The Contractor's Charge for maintaining PIN Pads (following their deployment by POCL in accordance with Schedule G12) shall be the fixed sum of £2,568,324.00, payable in monthly instalments commencing May 2002 as set out in Annex 6 to this Schedule A12.

25 PAYMENT OF PIN PAD CHARGES

25.1 Unless expressly stated to be due on a particular date, the amount due for payment by POCL in respect of each monthly instalment of a Charge set out or referred to in this Part D shall accrue on daily basis commencing the first day of that month, the daily increment being a sum equivalent to the monthly Charge or instalment in question divided by the number of days in that month.

25.2 All Charges set out or referred to in this Part D which become due for payment in each month shall be invoiced monthly in arrears in accordance with Schedule A10 and shall be paid by POCL.

25.3 Each fixed Charge (or portion thereof) stated in this part D of Schedule A12 to be due for payment on a date prior to the date of approval of CCN850 shall become due for payment, be adjusted and invoiced in accordance with paragraphs 23.3 and 23.4 of this Schedule A12.

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ANNEX 1 TO SCHEDULE A12

Roll Out Programme

Part A

Week Commencing	Number of Outlets (inc. live trial)
Already rolled out	299
23/08/99	24
30/08/99	1
06/09/99	47
13/09/99	80
20/09/99	158
27/09/99	178
04/10/99	203
11/10/99	203
18/10/99	203
25/10/99	203
01/11/99	203
08/11/99	0
15/11/99	0
22/11/99	0
29/11/99	0
06/12/99	0
13/12/99	0
20/12/99	0
27/12/99	0
03/01/00	0
10/01/00	0
17/01/00	0
24/01/00	120
31/01/00	180
07/02/00	250

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Week Commencing	Number of Outlets (inc. live trial)
14/02/00	306
21/02/00	306
28/02/00	306
06/03/00	306
13/03/00	306
20/03/00	306
27/03/00	306
03/04/00	306
10/04/00	306
17/04/00	244
24/04/00	244
01/05/00	244
08/05/00	306
15/05/00	306
22/05/00	306
29/05/00	244
05/06/00	306
12/06/00	306
19/06/00	306
26/06/00	306
03/07/00	306
10/07/00	306
17/07/00	306
24/07/00	306
31/07/00	306
07/08/00	306
14/08/00	306
21/08/00	306
28/08/00	244
04/09/00	306
11/09/00	306
18/09/00	288

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Week Commencing	Number of Outlets (inc. live trial)
25/09/00	288
02/10/00	288
09/10/00	287
16/10/00	287
23/10/00	287
30/10/00	287
06/11/00	287
13/11/00	287
20/11/00	287
27/11/00	287
04/12/00	287
11/12/00	
18/12/00	
25/12/00	
01/01/01	
08/01/01	287
15/01/01	287
22/01/01	287
29/01/01	287
05/02/01	287
12/02/01	273
19/02/01	259
26/02/01	120
05/03/01	108
Sub total	17,170

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Part B

Outlets to be Rolled Out under Operational Business Change

Week Commencing	Number of Outlets (inc. live trial)
12/03/01	149
19/03/01	109
26/03/01	90
02/04/01	76
09/04/01	56
16/04/01	45
23/04/01	27
30/04/01	21
07/05/01	19
14/05/01	17
21/05/01	15
28/05/01	14
04/06/01	13
11/06/01	10
Sub total	661
National Roll Out Total	17,831

"

Annex 2 to Schedule A12
Transaction Volumes

OBCS volumes are volumes through Horizon only and are included in the Orderbook Transactions. All others are totals, whether through Horizon or not.

Millions	Year Commencing April 1						
	1999	2000	2001	2002	2003	2004	2005
Orderbook Transactions	775.8	749.8	696.8	611.6	251.9	7.3	0.0
Girocheque Transactions	52.0	52.0	48.9	43.9	18.4	0.5	0.0

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EPOSS and APS	1337.0	1404.0	1313.0	1297.0	1265.0	1170.0	0.0
Total	2,164.8	2,205.8	2,058.7	1,952.5	1,535.3	1,177.8	0.0
OBCS	154.0	353.0	627.0	588.1	242.1	7.0	0.0

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ANNEX 3 TO SCHEDULE A12

Transaction Metrics for Charges

It is proposed that transactions should be counted for charging purposes according to the following rules. The default is that 1 customer-facing transaction in reference data = 1 chargeable transaction. The following are the main exceptions:

Transaction items: 1 chargeable transaction per transcash item. For the avoidance of doubt, there will be no chargeable transaction associated with the fee payable on the transcash item.

Postal orders: 1 chargeable transaction per customer session, regardless of number of postal orders sold. For the avoidance of doubt, there will be no chargeable transaction associated with the fee(s) payable on the postal order(s). Where postal stamps are sold to make up the odd amount of a postal order value (e.g. the 27p of a postal order of value £35.27), these stamps will be counted as a chargeable transaction in accordance with the metrics for postal stamps (see below).

Phone cards: Sales of phone cards of the same denomination to be rolled up within a customer session. For example, if a customer buys 2 x £2.00 cards this would be 1 chargeable transaction; however if the customer buys 1 x £2.00 and 1 x £5.00 cards this would be 2 chargeable transactions.

Saving stamps: 1 chargeable transaction per client, per customer session regardless of the quantity and combination of saving stamp values sold. For example, if a customer buys 1 x £2.00 and 2 x £5.00 British Gas saving stamps and 2 x £2.00 BBC licence stamps this would result in 2 chargeable transactions.

Postage stamps: Sales of postage stamps within a customer session to be rolled up into 1 chargeable transaction regardless of quantity and combinations of stamps sold. For the avoidance of doubt, postage stamps includes definitive and special issue stamps of all values, stamp books and postage-paid stationery. It does not include other postal products such as datapost or special delivery. For example, if a customer buys 2 x 1st class, 42p of other postage, 3 x stamp books (10 x 2nd class) and a book of 10 x 1st class stamps, this would be 1 chargeable transaction.

Because it is recognised that the volumes of postage stamp sales in the Workload Brief is subject to statistical uncertainty in deriving the average value of transactions, the charges will if necessary be adjusted retrospectively as follows:

- The actual average value of stamp sales per transaction will be calculated by dividing the total value of stamp sales recorded on POCL by the number of customer sessions in which stamp sales were recorded.
- The intended average value of stamp sales will be calculated as £2.51 multiplied by the average RPI for the relevant invoicing year and divided by the average RPI for the year ending February 1996.
- The adjusted amount payable for postage stamp sale transactions will be calculated by multiplying the charges by the actual average value and dividing by the intended average value, any under or over payment will be included as an adjustment to the next monthly invoice.
- An adjustment factor, to apply in all Operating Fee Periods, will be calculated at the end of the first Operating Fee Period based on the previous 12 months' data.

Retail items sold over the post office counter: Charged as 1 transaction per line, i.e. 1 item of each of 2 different lines = 2 transactions, 2 of the same line = 1 transaction.

Entry of sales not transacted on the POCL Service Infrastructure: i.e. postshop, vending, lottery etc. Charged as 1 transaction per batch entry for each product (e.g. 60 lottery ticket sales and 60 vending items = 2 transactions).

Reversals: Where transactions are subsequently reversed, the transaction itself will be chargeable as usual, the reversal will not be chargeable, and any related fresh transaction will be chargeable.

Use of scales: A price look-up for postage items using the scales link or by manually keyed input will not count as a separate transaction.

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Premium Mails Services: Each item requiring separate entry will count as 1 transaction (e.g. posting 3 datapost packages which require separate recording). Where items are entered as multiples (e.g. posting 2 parcels of the same weight with recorded delivery to the same zone) these will count as a single transaction.

Scales, premium services, and postal order transactions are additional to any related sale of postage stamps, but no more than 1 postage stamp sale will be recorded per customer session regardless of the use of those stamps.

Order Book Transactions: Each encashed foil shall count as a separate transaction.

Girocheques: Each Girocheque encashed shall count as a separate transaction.

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ANNEX 4 TO SCHEDULE A12

Management of Site Preparation and Modification Costs

1. Contractor Responsibilities

The Contractor will be responsible for all site preparation and modification costs (the "infrastructure programme") other than those covered by the POCL contributions pursuant to paragraph 2 of this Annex and for which POCL is to be responsible pursuant to paragraph 3 of this Annex.

In this Annex, "Modified Total Infrastructure Costs" means the total costs incurred under the infrastructure programme (excluding payments made or to be made by POCL pursuant to paragraph 3 of this Annex).

2. Contributions

2.1 Of the first £34 million of the Modified Total Infrastructure Costs, the Contractor will pay £29 million and POCL will pay £5 million.

2.2 The £5 million which POCL is required to pay pursuant to paragraph 2.1 of this Annex is to be phased over time in proportion to the number of Outlets made ready for installation. The Contractor and POCL acknowledge that of this £5 million, £512,267 has been allocated to meeting the costs of aborts, suspends and revisits, relating to site preparation and surveys at any Outlet, and £39,147 has been allocated to meeting the costs of out of hours work for standard sub-post offices (excluding the 100 largest standard sub-post offices) relating to site preparation and modifications, together totalling £551,414.

2.3 If the agreed forecasts of the Modified Total Infrastructure Costs exceed £34 million, POCL will pay the next £4 million, such payment to be phased pro rata to the number of Outlets installed.

2.4 If the Modified Total Infrastructure Costs exceed £38 million POCL and the Contractor will determine the approximate number of weeks which will be required to complete the infrastructure programme, and POCL will pay a further £1 million phased on a weekly basis evenly over the period so determined for the forecast completion of the infrastructure programme.

2.5 If, on the NR Completion Date, the Modified Total Infrastructure Costs are:

2.5.1 less than or equal to £34 million, the Contractor will pay POCL by way of refund £4 million;

2.5.2 greater than £34 million but less than or equal to £38 million, the Contractor will pay POCL by way of refund an amount equal to £38 million less the Modified Total Infrastructure Costs;

2.5.3 greater than £38 million but less than or equal to £39 million, the Contractor will pay to POCL by way of refund an amount equal to £39 million less the Modified Total Infrastructure Costs; and

2.5.4 greater than £39 million, the Contractor will not be obliged to make a payment to POCL by way of refund in respect of the Modified Total Infrastructure Costs.

Any payment to be made by the Contractor to POCL pursuant to this paragraph shall be made within 30 days of the NR Completion Date.

3. POCL Excess Costs

3.1 Records

The Contractor shall keep and make available appropriate records to verify:

(a) those costs of the infrastructure programme which are to be borne by POCL; and

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(b) the Contractor's forecasts of the Modified Total Infrastructure Costs referred to in paragraph 2.3 of this Annex.

3.2 Electrical work

The Contractor shall bear the costs of supplying and installing the necessary equipment and carrying out the necessary electrical work for new distribution boards and earthing in the first 10,000 Outlets in which there is a requirement for such distribution board or earthing work to be carried out. Thereafter POCL shall bear such costs in accordance with paragraph 13 of Schedule A12. (Without prejudice to POCL's obligation to bear such costs, an estimated cost to POCL of £1.1 million for such work has been derived from an estimate that such work will be required in altogether 14,273 Outlets and that such work in the final 4,273 of such Outlets will cost on average £257 per Outlet.)

In all cases the Contractor will take responsibility for co-ordinating with the regional electricity board to carry out final connections to the power supply. Any charges levied by the regional electricity board will be charged to POCL.

3.3 Cost thresholds

3.3.1 In respect of any Outlet to be modified, where the estimated cost of modification work (excluding site preparation work) does not exceed the threshold (the "Cost Threshold") for that Outlet set out below based on the number of counter positions in that Outlet, namely:

(i) one counter position - £2,500 per counter;

(ii) two counter positions - £1,800 per counter; and

(iii) three or more counter positions - £1,200 per counter

then the Contractor shall carry out the modification work in accordance with the Roll Out Programme.

3.3.2 In respect of any Outlet to be modified, where the estimated cost of modification work (excluding site preparation, survey and re-survey work) exceeds the Cost Threshold for that Outlet then:

(a) the Contractor shall promptly notify POCL in writing of the Financial Accounting Division ("FAD") code, the name and the location of that Outlet, the number of counter positions at that Outlet, the estimated cost of modification work and a scope of the proposed works; and

(b) the Contractor shall not carry out any modification work for that Outlet without the prior written consent of POCL pursuant to paragraph 3.3.3 of this Annex and on receipt of such consent shall carry out the type of modification specified by POCL.

3.3.3 Following receipt by POCL of a written notice from the Contractor pursuant to paragraph 3.3.2(a) of this Annex, POCL shall, in respect of an Outlet with:

(a) four or more counter positions, determine whether or not to modify that Outlet, and what modifications are to be carried out within the scope of modifications to which the estimated costs relate;

(b) exactly three counter positions, determine whether that Outlet is to:

(i) be relocated to new premises or premises refurbished by POCL or its sub-contractors so that such refurbished premises shall require no modifications and not more than standard site preparation;

(ii) have its number of counter positions reduced to two; or

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(iii) be modified as is; and

(c) exactly one or two counter positions, determine whether that Outlet is to be:

(i) closed;

(ii) relocated to new premises or refurbished by POCL or its sub-contractors so that such refurbished premises shall require no modification and not more than standard site preparation; or

(iii) modified as is

and notify the Contractor of such decision in accordance with paragraph 3.3.4 of this Annex.

3.3.4 In the case of an Outlet which POCL wishes to be dealt with in accordance with:

(a) paragraphs 3.3.3(a), 3.3.3(b)(ii), 3.3.3(b)(iii) or 3.3.3(c)(iii) of this Annex, POCL shall use its reasonable endeavours to notify the Contractor of such decision within four working days of the date of receipt by POCL of the notice relating to that Outlet from the Contractor pursuant to paragraph 3.3.2(a) of this Annex. If POCL does not notify the Contractor within such notice period, POCL shall be liable to the Contractor for the additional costs which the Contractor shall have incurred solely as a result of modification work at that Outlet being done later than had been originally scheduled but excluding all costs arising out of the Contractor failing to notify POCL promptly pursuant to paragraph 3.3.2(a) of this Annex; and

(b) paragraphs 3.3.3(b)(i), 3.3.3(c)(i) or 3.3.3(c)(ii) of this Annex, POCL shall provide Pathway with sufficient notice as is consistent with the operational requirements of the infrastructure programme.

3.3.5 In respect of Outlets to which paragraph 3.3.2 of this Annex applies, the parties have assumed that:

(a) all four counter position Outlets will be modified;

(b) the numbers of three counter position Outlets modified pursuant to each sub-paragraph of paragraph 3.3.3(b) of this Annex shall be equal; and

(c) the numbers of one or two counter position Outlets modified pursuant to each sub-paragraph of paragraph 3.3.3(c) of this Annex shall be equal.

3.3.6 POCL shall bear those reasonable costs in respect of the Outlets to be modified which exceed the Cost Threshold. POCL shall also bear those reasonable costs that may arise and shall benefit from any savings that may arise as a result of any of the assumptions in paragraph 3.3.5 of this Annex being incorrect. Any such benefit shall be credited to POCL in the invoice for the calendar month in which the POCL decision giving rise to that benefit shall have been made.

3.4 Aborts, Suspends and Revisits and Out of Hours Work at Standard Sub-Post Offices

3.4.1 Of the costs of site preparation aborts, suspends and revisits at any Outlet, and the costs of out-of-hours work at standard (i.e. non-franchise) sub-post offices (excluding the 100 largest standard sub-post offices), which exceed £551,414 as referred to in paragraph 2.2 of this Annex POCL shall bear such of those costs as are specified in paragraph 3.4.2 of this Annex.

3.4.2 The costs referred to in paragraph 3.4.1 of this Annex which are to be borne by POCL are:

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(a) the costs of aborts, suspends or revisits which are caused by POCL or its sub-postmasters or franchisees and are recorded as such on the implementation programme database;

(b) that proportion of the cost of aborts, suspends or revisits based on the extent of responsibility of POCL to the overall responsibility as agreed by POCL and the Contractor, or failing such agreement as agreed by the Programme directors of POCL and the Contractor, or failing such agreement POCL and the Contractor will bear such costs equally. POCL will not be responsible for the costs of the suspension of offices that are classified as no fixed counters ("NFC"); and

(c) the cost of out-of-hours work due to any standard sub-post office (other than the 100 largest standard sub-post offices) not permitting continuous access between 8.00 a.m. and 6.00 p.m. on weekdays (excluding bank holidays) or not permitting work to be done in accordance with the CCD entitled "Mitigating Disruption in Post Offices During Preparation Activities".

3.5 Other excess site preparation costs

POCL shall bear those costs of out of hours work and revised (at POCL's request) processes as compared with what is stated in the CCD entitled "Mitigating Disruption in Post Offices During Preparation Activities" for site preparation for the 100 largest standard sub-post offices, all branch offices and franchise offices, which exceed £715,876.

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ANNEX 5 to Schedule A12 - PHYSICAL, TECHNICAL & SERVICE LIMITS

Row	SERVICE	LIMIT	CONDITIONS
	OPS		
1.	Number of Outlets and geography	18,250 maximum at any one time during the term of the Codified Agreement, subject to the rates of change contained in row 2 of this table and the limit on counter positions in row 3.	GB & Northern Ireland, excluding: Channel Islands Isle of Man BFPO Other territories Includes Head Office Counter Positions as described in row 12 below.
2.	Post Offices: • relocated or opened, • closed (and not relocated)	1.6% per annum 1.0% per annum	
3.	Counter positions	39,390 maximum	This includes counter positions in training centres, without a separate limit for these. It also includes Head Office Counter Positions as described in row 12 below.
4.	Horizon configurations, including those installed in back office locations.	40,467 maximum	Including: workstations, screens, slip/receipt printers and keyboards/MSR/SCR. The limit of 40,467 includes a float of 77 Horizon configurations held in reserve for Operational Business Change purposes, therefore the maximum number of Horizon configurations that can be installed at any one time is 40,390.
5.	Single position gateway configurations	Within the overall limit in row 4 above, a maximum of 7,615	The limit of 7,615 includes a float of 15 single position gateway configurations held in reserve for Operational Business Change purposes, therefore the maximum number of single position gateway configurations that can be installed at any one time is 7,600. In no event shall the combined number of single position gateway configurations and multi-position gateway configurations (whether installed in Outlets or held as float for Operational Business Change), including all Head Office Counter Positions, cause the limit shown in row 1 of this table to be exceeded.

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Row	SERVICE	LIMIT	CONDITIONS
6	Multi-position gateway configurations	Within the overall limit in row 4 above, a maximum of 10,670	In addition to the single position configurations in row 5 above. The limit of 10,670 includes a float of 20 multi-position gateway configurations held in reserve for Operational Business Change purposes, therefore the maximum number of multi-position gateway configurations that can be installed at any one time is 10,650. In no event shall the combined number of single position gateway configurations and multi-position gateway configurations (whether installed in Outlets or held as float for Operational Business Change), including all Head Office Counter Positions, cause the limit shown in row 1 of this table to be exceeded.
7	Spare flat screens	350 maximum	These 350 will be deployed as required by POCL from time to time.
8.	Mobile Configurations	Within the overall limit in row 5 above, a maximum of [CCN632b limit] at any one time during the term of the Codified Agreement	This relates to computer based counter configurations which are designed to be removed and stored away from the service position (not to be confused with standard computer configurations on trolleys or in vans)
9.	A4 Printers: • Laser or LED (light emitting diode) • Inkjet	4,000 maximum or more at the Contractor's option 18,250 minus the number of Laser and LED printers	If the number of Outlets is increased beyond 18,250 in accordance with the limit and conditions in row 1 of this table POCL may procure an equivalent number of additional printers as Optional POCL Services, the pricing of equipment to be by reference to the pricing of Optional Products.
10.	Users to be trained during Roll Out Programme	72,000 maximum	
11.	Documentation: • Releases • Emergency updates	2 per annum A4, 1pp, 12 per annum	
12.	Head Office Counter Positions	Within the overall limit in row 4 above	The number of Head Office Counter Positions shall count towards the totals in respectively rows 5 and 6 above.

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ANNEX 6 to Schedule A12 - NBS - FIXED MONTHLY CHARGES AND DISCOUNTS

IMPLEMENTATION OF NETWORK INFRASTRUCTURE (Paragraph 17.4)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£60,049	£61,350	£60,049	£181,447	
2002-3	£79,975	£79,975	£69,804	£69,804	£160,587	£90,111	£82,160	£100,535	£76,765	£175,825	£29,304	-	£1,014,844	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£1,196,291

NETWORK OPERATING CHARGES (Paragraph 17.5)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	-	-	-	£50,998	£185,304	£185,304	£72,144	£93,290	£93,290	£93,290	£178,931	£952,552	
2003-4	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£178,931	£2,147,177	
2004-5	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£161,038	£1,932,459	£5,032,188

NETWORK HARDWARE AND SOFTWARE (Paragraph 17.6)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	£62,771	-	-	£1,044,882	-	-	-	-	-	-	-	-	£1,107,653	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£1,107,653

NBS IMPLEMENTATION CHARGES (Paragraph 18.7)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£94,947	£129,167	£242,449	£466,562	
2002-3	£215,128	£232,952	£214,291	£257,465	£281,023	£199,369	£143,985	£239,013	£232,593	£417,395	£109,009	-	£2,542,223	
2003-4	-	-	-	-	-	£17,227	-	-	-	-	-	-	£17,227	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£3,026,012

NBS CUSTOMER SERVICE CHARGES (Paragraph 19.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	£1,621	£7,543	£7,543	£16,707	
2002-3	£8,749	£8,749	£8,749	£218,830	£70,520	£81,678	£84,874	£96,248	£188,585	£271,570	£320,104	£320,104	£1,678,761	
2003-4	£338,584	£343,141	£338,584	£338,584	£341,374	£348,689	£348,689	£348,689	£351,795	£383,610	£315,022	£315,424	£4,112,184	
2004-5	£283,881	£287,982	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£283,881	£3,410,678	£9,218,330

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AUDIT RECORD QUERIES (TO SUPPORT 500 RETRIEVALS PER ANNUM) (Paragraph 19.2.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	-	-	-	-	-	-	-	-	-	-	£33,338	£33,338	
2003-4	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£33,338	£400,051	
2004-5	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£30,004	£360,045	£793,434

HARDWARE AND SOFTWARE CHARGES (NON DATA RECONCILIATION SERVICE) (Paragraph 20.1)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	-	-	-	-	-	-	-	
2002-3	£930,341	-	-	-	-	£121,918	-	-	£1,010,559	-	-	-	£2,062,818	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£2,062,818

HARDWARE AND SOFTWARE CHARGES (DATA RECONCILIATION SERVICE) (Paragraph 20.2)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	-	-	-	-	-	-	-	
2002-3	£1,274,896	-	-	£95,220	-	£1,429,993	-	-	£7,963	-	-	-	£2,808,072	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£2,808,072

PINPAD IMPLEMENTATION SERVICE CHARGES (OTHER THAN MAINENANCE) (Paragraph 24.3(a))

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	£2,505	£39,674	£48,293	£79,674	£107,193	£86,028	£363,366	
2002-3	£62,118	£83,151	£50,796	£56,863	£56,863	£62,530	£59,697	£56,863	£46,799	£36,390	£17,859	£17,859	£607,788	
2003-4	£14,530	£7,607	-	-	-	-	-	-	-	-	-	-	£22,137	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£993,291

PINPAD IMPLEMENTATION SERVICE (MAINTENANCE) CHARGES (Paragraph 24.4)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2			-	-	-	-	-	-	-	-	-	-	-	
2002-3	-	£1,029	£1,029	£1,029	£1,029	£1,029	£72,119	£72,119	£72,119	£72,119	£72,119	£72,119	£437,861	
2003-4	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£84,472	£91,347	£91,347	£91,347	£1,034,293	
2004-5	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£91,347	£1,096,170	£2,568,324

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OPERATIONAL CHARGE DISCOUNT (Paragraph 21)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	-	-	-	-	-	-	-	
2002-3	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£83,333	£999,996	
2003-4	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£250,000	£3,000,000	
2004-5	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£166,667	£2,000,004	£6,000,000

T&M WORK DISCOUNT (Paragraph 18.6)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	-	-	-	£380,163	£452,603	£546,704	£1,379,469	
2002-3	£940,572	£398,148	£420,239	£773,124	£671,390	£1,054,766	£753,491	£718,479	£890,321	-	-	-	£6,620,531	
2003-4	-	-	-	-	-	-	-	-	-	-	-	-	-	
2004-5	-	-	-	-	-	-	-	-	-	-	-	-	-	£8,000,000

SUBTOTAL - NETWORK BANKING MONTHLY OPERATING FEE

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	SUB TOTAL	TOTAL
2001-2	-	-	-	-	-	-	£2,505	£39,674	£48,293	£236,290	£305,253	£396,068	£1,028,082	
2002-3	£282,637	£322,523	£261,336	£520,658	£537,688	£536,687	£544,805	£553,589	£626,818	£983,255	£558,352	£539,018	£6,267,367	
2003-4	£399,855	£397,489	£385,325	£385,325	£388,115	£412,657	£395,430	£395,430	£398,536	£437,227	£368,638	£369,040	£4,733,069	
2004-5	£399,604	£403,705	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£399,604	£4,799,352	£16,827,870

FUJ00119623

SCHEDULE A13

GUARANTEE

(Clause 1004)

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	CCN533 to postcode on page 3, plus adding document control footer	
1.2	Baseline copy of 1.2a	30 November 1999
4.0	To Introduce Network Banking Service	26 June 2002

FUJ00119623

DATED [ ] 1999

ICL PLC

- to -

POST OFFICE COUNTERS LTD

DEED OF GUARANTEE

FUJ00119623

THIS DEED is made the [ ] day of [ ] 1999

BETWEEN

(1) **ICL PLC** whose registered office is at 26 Finsbury Square, London EC2A 1SL ("the GUARANTOR") in favour of

(2) **POST OFFICE COUNTERS LTD** whose registered office is situated at Gavrelle House, 2-14 Bunhill Row, London EC1Y 8HQ ("POCL").

WHEREAS

(A) This Deed is supplemental to the Codified Information Technology Services Agreement for Bringing Technology to Post Offices dated [ ] 1999 between POCL and ICL Pathway Limited ("the CONTRACTOR") (the "Codified Agreement").

(B) The services to be provided by the CONTRACTOR to POCL under the Codified Agreement are critical to the accomplishment of the statutory functions and business objectives of POCL.

(C) POCL would not have entered into the Codified Agreement without a satisfactory guarantee being provided by the GUARANTOR of the CONTRACTOR's obligations and liabilities thereunder.

NOW, THEREFORE, in consideration of POCL entering into the Codified Agreement, the GUARANTOR hereby guarantees to POCL as follows:-

FUJ00119623

1. If the CONTRACTOR fails fully and punctually to perform its obligations under the Codified Agreement or commits any breach of its obligations under the Codified Agreement which is not remedied in accordance therewith, the GUARANTOR unconditionally undertakes that upon demand by POCL in accordance with Clause 3 hereof it shall:

1.1 subject to the provisions of Clause 810 of the Codified Agreement, indemnify and maintain POCL indemnified against all losses, damages, costs and expenses (including court costs and legal fees on a solicitor and own client basis) which may be incurred by POCL arising out of all and any such failures or breaches, but only to the extent that the CONTRACTOR is liable for the same under the Codified Agreement;

1.2 as a separate and independent obligation and as primary obliger, be responsible for and hereby guarantee to POCL the due performance by the CONTRACTOR of the CONTRACTOR's obligations under the Codified Agreement; and

1.3 as a separate and independent obligation and as primary obliger, fully, punctually and specifically perform the CONTRACTOR's obligations under the Codified Agreement which are not performed as a result of the Default of the CONTRACTOR thereunder. The GUARANTOR shall perform, fulfil and observe all terms, warranties and representations in the Codified Agreement which are not performed as a result of the Default of the

FUJ00119623

CONTRACTOR thereunder as if the Codified Agreement were directly entered into by the GUARANTOR and POCL.

PROVIDED THAT in no event shall the liability of the GUARANTOR to POCL hereunder be greater than the liability of the CONTRACTOR to POCL under the Codified Agreement, and provided further that any limitation on the liability of, and any defences available to, the CONTRACTOR under the Codified Agreement shall be available to the GUARANTOR hereunder.

2. POCL shall have no greater rights under this Deed of Guarantee in relation to the CONTRACTOR's obligations under the Codified Agreement than it has under the Codified Agreement.

3. Any demand under this Deed of Guarantee shall be in writing, addressed to the registered office of the GUARANTOR and accompanied by a statement identifying the nature of the claim by POCL, and shall be copied to the CONTRACTOR at its registered office or such other address as the GUARANTOR has from time to time notified to POCL as being an address for the receipt of such demands.

4.1 The GUARANTOR shall not be discharged or released from the Deed of Guarantee by any arrangement made between the CONTRACTOR and POCL without the assent of the GUARANTOR or by any amendment to or termination of the Codified Agreement or by any forbearance or indulgence whether as to payment, time, performance or otherwise granted by POCL in relation thereto.

FUJ00119623

4.2 The obligations of the GUARANTOR under this Deed of Guarantee may not be assigned or subcontracted in whole or in part without the express written authority of POCL. For the avoidance of doubt, and without prejudice to the generality of the foregoing provisions of this Clause 4.2, the obligations of the GUARANTOR under Clauses 1.2 and 1.3 hereof may be sub-contracted if agreed in accordance with this Clause 4.2.

5. This Deed of Guarantee shall be a continuing security and accordingly it shall:

5.1 not be discharged by any partial performance (except to the extent of such partial performance) by the CONTRACTOR of its obligations under the Codified Agreement, and

5.2 extend to cover the unperformed part of the obligations of the CONTRACTOR from time to time under the Codified Agreement.

6. The obligations of the GUARANTOR under this Deed of Guarantee are those of primary obliger and such obligations exist irrespective of any total or partial invalidity, illegality or unenforceability of the Codified Agreement. POCL shall not be obliged before taking steps to enforce this Deed of Guarantee against the GUARANTOR to obtain judgment against the CONTRACTOR or the GUARANTOR or any third party in any Court, or to make or file any claim in a bankruptcy or liquidation of the CONTRACTOR or any third party, or to take any action whatsoever against the CONTRACTOR or the GUARANTOR or any third party (other than serving a copy of the notice of demand upon the CONTRACTOR in accordance with Clause 3 above).

FUJ00119623

7. The GUARANTOR warrants that it is either a company or a body corporate duly organised and validly existing under the laws of England with limited liability and has all power and authority to enter into and perform the obligations contemplated by this Deed of Guarantee to be performed by it and that this Deed of Guarantee constitutes a legal, valid and binding obligation.

8. 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.

9. None of the liabilities or obligations of the GUARANTOR under this Deed of Guarantee shall be impaired or discharged by the winding up, amalgamation, reconstruction or reorganisation of the GUARANTOR or the CONTRACTOR (or the commencement of any of the foregoing).

10. 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.

11. This Deed of Guarantee shall be governed by and construed in all respects in accordance with the laws of England and the parties hereby submit to the non-exclusive jurisdiction of the Courts of England in respect of any dispute which may arise between the parties concerning this Deed of Guarantee.

FUJ00119623

12.1 In the event that there shall, in the reasonable opinion of POCL occur a material adverse change in the financial condition of the GUARANTOR by comparison with such a financial condition as at the date of this Deed of Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the GUARANTOR to perform its obligations under the Deed of Guarantee, then the GUARANTOR shall, if so required by POCL in writing, procure that there is provided to POCL an Acceptable Additional Guarantee. Such an Acceptable Additional Guarantee shall be provided within one (1) month after POCL requires the provision of the same. For the purposes of this Clause, an "Acceptable Additional Guarantee" shall be a guarantee of the obligations of the GUARANTOR under this Deed of Guarantee given in favour of POCL which:

(a) is given by an entity acceptable to POCL which has a financial condition at least as good as that of the GUARANTOR as at the date of this Deed of Guarantee; and

(b) is substantially in the form of this Deed of Guarantee with such amendments as POCL shall reasonably require to take account of the identity and place of incorporation of, and any other factors relevant to, the new guarantor.

Any such Acceptable Additional Guarantee shall be in addition to and not in substitution for this Deed of Guarantee.

12.2 In the event that there shall, in the reasonable opinion of POCL, occur a material adverse change in the financial condition of any person liable as guarantor under an Acceptable Additional Guarantee by comparison with such financial condition as at the

FUJ00119623

date of the relevant Acceptable Additional Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the relevant party to perform its obligations under the applicable Acceptable Additional Guarantee, then the GUARANTOR shall, if so required by POCL in writing, procure that there is provided to POCL a further Acceptable Additional Guarantee from another entity. Any such Acceptable Additional Guarantee shall be provided within one (1) month after POCL requires the provision of the same.

12.3 Any failure by the GUARANTOR to provide an Acceptable Additional Guarantee in acordance with the provisions of this Clause shall be treated as a Default by the CONTRACTOR entitling POCL to terminate the Codified Agreement pursuant to Clause 902.2.2 thereof.

IN WITNESS whereof the GUARANTOR has caused this instrument to be executed as a Deed the day and year first before written.

SIGNED and DELIVERED for and on behalf of ICL PLC

By:.....

Name:

and

By:.....

Name:

FUJ00119623

in the presence of:

Name:.....

Title:.....

FUJ00119623

PART C

Letter to be provided by Fujitsu Services Holdings plc

Dear Sirs

We refer to the following:

- The Codified Agreement (the "Codified Agreement") dated 28 July 1999 (as amended) between Fujitsu Services (Pathway) Limited (then named ICL Pathway Limited) ("Pathway") and Post Office Limited (then named Post Office Counters Limited) ("POL");

- The Deed of Guarantee (the "Guarantee") dated 3 August 1999 between Fujitsu Services Holdings Limited (then named ICL plc) and POL

We understand that Pathway (our subsidiary) and POL are about to agree to implement changes and amendments to the Codified Agreement by way of a Change Control Note (as defined in the Codified Agreement) (the "Network Banking CCN"), whereby Pathway will provide a network banking service to POL, and in consequence of which, various amendments and additions are to be made to the terms of the Codified Agreement.

As you know, it is our belief that the Guarantee will continue in full force and effect in relation to the Codified Agreement, as amended pursuant to the Network Banking CCN, particularly bearing in mind Clause 4.1 of the Guarantee which provides that we shall not be discharged or released from the Guarantee by any amendment to the Codified Agreement.

Nevertheless, in consideration for your agreeing to amend the terms of the Codified Agreement pursuant to the Network Banking CCN we confirm and agree that:

- we will not be discharged or released from the Guarantee by the amendments and additions made to the Codified Agreement by the Network Banking CCN; and

- once the Network Banking CCN is entered into, the provisions of the Guarantee shall apply as though the reference to the Codified Agreement in Recital A of the Guarantee were to the Codified Agreement as amended pursuant to the Network Banking CCN.

FUJ00119623

The fact that we are providing this letter on this occasion shall not be taken to mean that any action by us is necessary to cause the provisions of the Guarantee to apply to the Codified Agreement as amended from time to time.

Yours faithfully

for and on behalf of FUJITSU SERVICES HOLDINGS PLC

FUJ00119623

PART D

Letter to be provided by Fujitsu Limited

Dear Sirs

We refer to the following:

- The Codified Agreement (the "Codified Agreement") dated 28 July 1999 (as amended) between Fujitsu Services (Pathway) Limited (then named ICL Pathway Limited) ("Pathway") and Post Office Limited (then named Post Office Counters Limited) ("POL");

- The Deed of Guarantee and Indemnity (the "Guarantee") dated 28 July 1999 between Fujitsu Limited and POL

We understand that Pathway (our subsidiary) and POL are about to agree to implement changes and amendments to the Codified Agreement by way of a Change Control Note (as defined in the Codified Agreement) (the "Network Banking CCN"), whereby Pathway will provide a network banking service to POL, and in consequence of which, various amendments and additions are to be made to the terms of the Codified Agreement.

As you know, it is our belief that the Guarantee will continue in full force and effect in relation to the Codified Agreement, as amended pursuant to the Network Banking CCN, particularly bearing in mind Clause 2 of the Guarantee which provides that we shall not be discharged or released from the Guarantee by any amendment to any Agreement (which defined term includes the Codified Agreement).

Nevertheless, in consideration for your agreeing to amend the terms of the Codified Agreement pursuant to the Network Banking CCN we confirm and agree that:

- we will not be discharged or released from the Guarantee by the amendments and additions made to the Codified Agreement by the Network Banking CCN; and

- once the Network Banking CCN is entered into, the provisions of the Guarantee shall apply as though the reference to the Codified Agreement in the definition of "Agreements" in Recital 7 of the Guarantee were to the Codified Agreement as amended pursuant to the Network Banking CCN.

FUJ00119623

The fact that we are providing this letter on this occasion shall not be taken to mean that any action by us is necessary to cause the provisions of the Guarantee to apply to the Codified Agreement as amended from time to time.

Yours faithfully

for and on behalf of FUJITSU LIMITED

FUJ00119623

SCHEDULE A13

GUARANTEE

(Clause 1004)

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	CCN533 to postcode on page 3, plus adding document control footer	
1.2	Baseline copy of 1.2a	30 November 1999
4.0	To Introduce Network Banking Service	26 June 2002

FUJ00119623

DATED [ ] 1999

ICL PLC

- to -

POST OFFICE COUNTERS LTD

DEED OF GUARANTEE

FUJ00119623

THIS DEED is made the [ ] day of [ ] 1999

BETWEEN

(1) **ICL PLC** whose registered office is at 26 Finsbury Square, London EC2A 1SL ("the GUARANTOR") in favour of

(2) **POST OFFICE COUNTERS LTD** whose registered office is situated at Gavrelle House, 2-14 Bunhill Row, London EC1Y 8HQ ("POCL").

WHEREAS

(A) This Deed is supplemental to the Codified Information Technology Services Agreement for Bringing Technology to Post Offices dated [ ] 1999 between POCL and ICL Pathway Limited ("the CONTRACTOR") (the "Codified Agreement").

(B) The services to be provided by the CONTRACTOR to POCL under the Codified Agreement are critical to the accomplishment of the statutory functions and business objectives of POCL.

(C) POCL would not have entered into the Codified Agreement without a satisfactory guarantee being provided by the GUARANTOR of the CONTRACTOR's obligations and liabilities thereunder.

NOW, THEREFORE, in consideration of POCL entering into the Codified Agreement, the GUARANTOR hereby guarantees to POCL as follows:-

FUJ00119623

1. If the CONTRACTOR fails fully and punctually to perform its obligations under the Codified Agreement or commits any breach of its obligations under the Codified Agreement which is not remedied in accordance therewith, the GUARANTOR unconditionally undertakes that upon demand by POCL in accordance with Clause 3 hereof it shall:

1.1 subject to the provisions of Clause 810 of the Codified Agreement, indemnify and maintain POCL indemnified against all losses, damages, costs and expenses (including court costs and legal fees on a solicitor and own client basis) which may be incurred by POCL arising out of all and any such failures or breaches, but only to the extent that the CONTRACTOR is liable for the same under the Codified Agreement;

1.2 as a separate and independent obligation and as primary obliger, be responsible for and hereby guarantee to POCL the due performance by the CONTRACTOR of the CONTRACTOR's obligations under the Codified Agreement; and

1.3 as a separate and independent obligation and as primary obliger, fully, punctually and specifically perform the CONTRACTOR's obligations under the Codified Agreement which are not performed as a result of the Default of the CONTRACTOR thereunder. The GUARANTOR shall perform, fulfil and observe all terms, warranties and representations in the Codified Agreement which are not performed as a result of the Default of the

FUJ00119623

CONTRACTOR thereunder as if the Codified Agreement were directly entered into by the GUARANTOR and POCL.

PROVIDED THAT in no event shall the liability of the GUARANTOR to POCL hereunder be greater than the liability of the CONTRACTOR to POCL under the Codified Agreement, and provided further that any limitation on the liability of, and any defences available to, the CONTRACTOR under the Codified Agreement shall be available to the GUARANTOR hereunder.

2. POCL shall have no greater rights under this Deed of Guarantee in relation to the CONTRACTOR's obligations under the Codified Agreement than it has under the Codified Agreement.

3. Any demand under this Deed of Guarantee shall be in writing, addressed to the registered office of the GUARANTOR and accompanied by a statement identifying the nature of the claim by POCL, and shall be copied to the CONTRACTOR at its registered office or such other address as the GUARANTOR has from time to time notified to POCL as being an address for the receipt of such demands.

4.1 The GUARANTOR shall not be discharged or released from the Deed of Guarantee by any arrangement made between the CONTRACTOR and POCL without the assent of the GUARANTOR or by any amendment to or termination of the Codified Agreement or by any forbearance or indulgence whether as to payment, time, performance or otherwise granted by POCL in relation thereto.

FUJ00119623

4.2 The obligations of the GUARANTOR under this Deed of Guarantee may not be assigned or subcontracted in whole or in part without the express written authority of POCL. For the avoidance of doubt, and without prejudice to the generality of the foregoing provisions of this Clause 4.2, the obligations of the GUARANTOR under Clauses 1.2 and 1.3 hereof may be sub-contracted if agreed in accordance with this Clause 4.2.

5. This Deed of Guarantee shall be a continuing security and accordingly it shall:

5.1 not be discharged by any partial performance (except to the extent of such partial performance) by the CONTRACTOR of its obligations under the Codified Agreement, and

5.2 extend to cover the unperformed part of the obligations of the CONTRACTOR from time to time under the Codified Agreement.

6. The obligations of the GUARANTOR under this Deed of Guarantee are those of primary obliger and such obligations exist irrespective of any total or partial invalidity, illegality or unenforceability of the Codified Agreement. POCL shall not be obliged before taking steps to enforce this Deed of Guarantee against the GUARANTOR to obtain judgment against the CONTRACTOR or the GUARANTOR or any third party in any Court, or to make or file any claim in a bankruptcy or liquidation of the CONTRACTOR or any third party, or to take any action whatsoever against the CONTRACTOR or the GUARANTOR or any third party (other than serving a copy of the notice of demand upon the CONTRACTOR in accordance with Clause 3 above).

FUJ00119623

7. The GUARANTOR warrants that it is either a company or a body corporate duly organised and validly existing under the laws of England with limited liability and has all power and authority to enter into and perform the obligations contemplated by this Deed of Guarantee to be performed by it and that this Deed of Guarantee constitutes a legal, valid and binding obligation.

8. 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.

9. None of the liabilities or obligations of the GUARANTOR under this Deed of Guarantee shall be impaired or discharged by the winding up, amalgamation, reconstruction or reorganisation of the GUARANTOR or the CONTRACTOR (or the commencement of any of the foregoing).

10. 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.

11. This Deed of Guarantee shall be governed by and construed in all respects in accordance with the laws of England and the parties hereby submit to the non-exclusive jurisdiction of the Courts of England in respect of any dispute which may arise between the parties concerning this Deed of Guarantee.

FUJ00119623

12.1 In the event that there shall, in the reasonable opinion of POCL occur a material adverse change in the financial condition of the GUARANTOR by comparison with such a financial condition as at the date of this Deed of Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the GUARANTOR to perform its obligations under the Deed of Guarantee, then the GUARANTOR shall, if so required by POCL in writing, procure that there is provided to POCL an Acceptable Additional Guarantee. Such an Acceptable Additional Guarantee shall be provided within one (1) month after POCL requires the provision of the same. For the purposes of this Clause, an "Acceptable Additional Guarantee" shall be a guarantee of the obligations of the GUARANTOR under this Deed of Guarantee given in favour of POCL which:

(a) is given by an entity acceptable to POCL which has a financial condition at least as good as that of the GUARANTOR as at the date of this Deed of Guarantee; and

(b) is substantially in the form of this Deed of Guarantee with such amendments as POCL shall reasonably require to take account of the identity and place of incorporation of, and any other factors relevant to, the new guarantor.

Any such Acceptable Additional Guarantee shall be in addition to and not in substitution for this Deed of Guarantee.

12.2 In the event that there shall, in the reasonable opinion of POCL, occur a material adverse change in the financial condition of any person liable as guarantor under an Acceptable Additional Guarantee by comparison with such financial condition as at the

FUJ00119623

date of the relevant Acceptable Additional Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the relevant party to perform its obligations under the applicable Acceptable Additional Guarantee, then the GUARANTOR shall, if so required by POCL in writing, procure that there is provided to POCL a further Acceptable Additional Guarantee from another entity. Any such Acceptable Additional Guarantee shall be provided within one (1) month after POCL requires the provision of the same.

12.3 Any failure by the GUARANTOR to provide an Acceptable Additional Guarantee in acordance with the provisions of this Clause shall be treated as a Default by the CONTRACTOR entitling POCL to terminate the Codified Agreement pursuant to Clause 902.2.2 thereof.

IN WITNESS whereof the GUARANTOR has caused this instrument to be executed as a Deed the day and year first before written.

SIGNED and DELIVERED for and on behalf of ICL PLC

By:.....

Name:

and

By:.....

Name:

FUJ00119623

in the presence of:

Name:.....

Title:.....

FUJ00119623

PART C

Letter to be provided by Fujitsu Services Holdings plc

Dear Sirs

We refer to the following:

- The Codified Agreement (the "Codified Agreement") dated 28 July 1999 (as amended) between Fujitsu Services (Pathway) Limited (then named ICL Pathway Limited) ("Pathway") and Post Office Limited (then named Post Office Counters Limited) ("POL");

- The Deed of Guarantee (the "Guarantee") dated 3 August 1999 between Fujitsu Services Holdings Limited (then named ICL plc) and POL

We understand that Pathway (our subsidiary) and POL are about to agree to implement changes and amendments to the Codified Agreement by way of a Change Control Note (as defined in the Codified Agreement) (the "Network Banking CCN"), whereby Pathway will provide a network banking service to POL, and in consequence of which, various amendments and additions are to be made to the terms of the Codified Agreement.

As you know, it is our belief that the Guarantee will continue in full force and effect in relation to the Codified Agreement, as amended pursuant to the Network Banking CCN, particularly bearing in mind Clause 4.1 of the Guarantee which provides that we shall not be discharged or released from the Guarantee by any amendment to the Codified Agreement.

Nevertheless, in consideration for your agreeing to amend the terms of the Codified Agreement pursuant to the Network Banking CCN we confirm and agree that:

- we will not be discharged or released from the Guarantee by the amendments and additions made to the Codified Agreement by the Network Banking CCN; and

- once the Network Banking CCN is entered into, the provisions of the Guarantee shall apply as though the reference to the Codified Agreement in Recital A of the Guarantee were to the Codified Agreement as amended pursuant to the Network Banking CCN.

FUJ00119623

The fact that we are providing this letter on this occasion shall not be taken to mean that any action by us is necessary to cause the provisions of the Guarantee to apply to the Codified Agreement as amended from time to time.

Yours faithfully

for and on behalf of FUJITSU SERVICES HOLDINGS PLC

FUJ00119623

PART D

Letter to be provided by Fujitsu Limited

Dear Sirs

We refer to the following:

- The Codified Agreement (the "Codified Agreement") dated 28 July 1999 (as amended) between Fujitsu Services (Pathway) Limited (then named ICL Pathway Limited) ("Pathway") and Post Office Limited (then named Post Office Counters Limited) ("POL");

- The Deed of Guarantee and Indemnity (the "Guarantee") dated 28 July 1999 between Fujitsu Limited and POL

We understand that Pathway (our subsidiary) and POL are about to agree to implement changes and amendments to the Codified Agreement by way of a Change Control Note (as defined in the Codified Agreement) (the "Network Banking CCN"), whereby Pathway will provide a network banking service to POL, and in consequence of which, various amendments and additions are to be made to the terms of the Codified Agreement.

As you know, it is our belief that the Guarantee will continue in full force and effect in relation to the Codified Agreement, as amended pursuant to the Network Banking CCN, particularly bearing in mind Clause 2 of the Guarantee which provides that we shall not be discharged or released from the Guarantee by any amendment to any Agreement (which defined term includes the Codified Agreement).

Nevertheless, in consideration for your agreeing to amend the terms of the Codified Agreement pursuant to the Network Banking CCN we confirm and agree that:

- we will not be discharged or released from the Guarantee by the amendments and additions made to the Codified Agreement by the Network Banking CCN; and

- once the Network Banking CCN is entered into, the provisions of the Guarantee shall apply as though the reference to the Codified Agreement in the definition of "Agreements" in Recital 7 of the Guarantee were to the Codified Agreement as amended pursuant to the Network Banking CCN.

FUJ00119623

The fact that we are providing this letter on this occasion shall not be taken to mean that any action by us is necessary to cause the provisions of the Guarantee to apply to the Codified Agreement as amended from time to time.

Yours faithfully

for and on behalf of FUJITSU LIMITED

FUJ00119623

26 JUN 2002

GRO

SCHEDULE A15 - REQUIREMENTS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN81d to R819; CCN239a to R493; CCN261a to R545; CCN262 to R830; CCN263a to R831; CCN264 to R891; CCN280 to R914; CCN281 to R914; CCN289 to R547; CCN310a to R544; CCN349 to R509; CCN350 to R545; CCN353 not to R945; CCN384a to R489; CCN387 to R956; CCN411a to R543; CCN430 to R871	
1.1b	Removing the effect of CCN239a on R493; correcting document reference from CCN280, R914; applying CCN437 to R915	
1.1	Baselined copy of 1.1b	18 Oct 1999
1.2a	Applying CCN323a to R465, R473, R475, R547, R549, R550, R552, R553, R554, R913; CCN472 to R818; CCN540 to R834; ; CCN487b to R915; CCN560 to R891	
1.2	Baseline copy of 1.2a	30 November 1999
1.3a	Applying CCN473c to R818 (including insertion of new paragraph and renumbering of following paragraph); CCN566a to R915	23 December 1999
1.3	Baseline copy of 1.3	30 March 2000
2.0a	Applying CCN679b to R471	
2.0	Baseline copy of 2.0a	12 January 2001
4.0k	New Schedule to introduce Network Banking Service	20/06/02
4.0	To Introduce Network Banking Service	21/06/02

1. REQUIREMENTS 6
1.1. Requirement 463 - POCL Service Infrastructure - OPS: Additional Requirements for OPS Equipment 6
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1. REQUIREMENTS

1.1. Requirement 463 - POCL Service Infrastructure - OPS: Additional Requirements for OPS Equipment

1.1.1. The Contractor shall supply samples of all elements of the POCL Service Infrastructure , excluding NBS related elements and PIN Pads, used to provide OPS for purposes other than (i) Roll Out and (ii) live use in POCL Premises as part of the Operational Services. Examples of these purposes include:

a) testing by POCL;

b) training;

c) demonstrations and marketing.

1.1.2. The Contractor shall provide specimens of all elements and proposed elements of the POCL Service Infrastructure excluding NBS related elements and PIN Pads used to provide OPS from time to time to undergo destructive safety testing.

1.1.3. POCL shall notify the Contractor from time to time of how many samples are required for the purposes of testing such elements of the POCL Service Infrastructure at Operational Trial. They shall not in total exceed the equivalent of 8 post offices with a total of 50 Counter Positions. Any requirements thereafter for samples of equipment for testing purposes (beyond the initial 50 Counter Positions) shall be subject to a process approved by a date consistent with the Project Plan.

1.1.4. Unless testing demonstrates a breach of the relevant standards in Schedule A02, the number of specimens for destructive testing purposes shall not exceed one example of each component of Hardware within the elements of the POCL Service Infrastructure that are proposed for the OPS.

1.1.5. The quantity of samples for training purposes depends on the training methodology employed.

1.1.6. PIN Pads are not part of Operational Trial.

[Pathway DN: Above provision deleted, because it is not relevant with PIN Pads being delivered to ROMEC. Schedule G12 provides for a supply of PIN Pads for spares and OBC to be delivered by POCL to Pathway, not vice versa]

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1.2. Requirement 464 - POCL Service Infrastructure - OPS: POCL's Agreement to Offer Services Using OPS and TMS

1.2.1. Services which utilise OPS or TMS shall only be provided subject to the agreement of POCL.

1.3. Requirement 465 - POCL Service Infrastructure - OPS: Appearance of the OPS Equipment

1.3.1. The livery of the elements of the POCL Service Infrastructure to be used for OPS shall be agreed with POCL before Roll Out. A single livery shall be approved for all Outlets that is consistent with the Horizon OPS Style Guide for Post Offices.

1.3.2. The effort required to maintain the appearance of the Equipment to a level reasonably acceptable to POCL shall be minimal.

1.4. Requirement 466 - POCL Service Infrastructure - OPS: Consumables

1.4.1. The Contractor shall supply detailed specifications of all the consumables used by the OPS. The Contractor shall provide estimates of the likely consumption of each consumable and, as part of an impact assessment, the impact on consumption of any changes, including new Services.

1.4.2. The Contractor shall be capable of supplying all consumables, but POCL shall have the option to source consumables from another supplier.

1.5. Requirement 467 - POCL Service Infrastructure - OPS: Links from OPS to TMS

1.5.1. Each instance of OPS within Outlets shall interface with TMS to allow the transfer, in both directions, of authorised data files and messages.

1.5.2. The transfer of data between OPS and TMS shall be secure, complete, accurate and robust.

1.5.3. Within OPS it shall be possible to identify whether data from OPS have been received by TMS or not.

1.6. Requirement 468 - POCL Service Infrastructure - OPS: engineering visits

1.6.1. Maintenance and repair of the elements of the POCL Service Infrastructure used to provide OPS involving on-site attendance at POCL Premises by the Contractor's engineers shall not interfere unduly with the ability of an Outlet to serve Customers, even where Outlets have a single Counter Position and/or extremely limited physical space.

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1.7. Requirement 469 - POCL Service Infrastructure - OPS: Technical Documentation

1.7.1. The Contractor shall provide technical documentation concerning OPS and the elements of the POCL Service Infrastructure used to provide OPS. This documentation shall be suitable to allow POCL to procure applications which utilise OPS or hardware which interfaces with OPS. These procurements shall not necessarily be from the Contractor.

1.7.2. All changes to such documentation shall be subject to the Change Control Procedure.

1.8. Requirement 470 - POCL Service Infrastructure - OPS: TMS Technical Documentation

1.8.1. The Contractor shall provide technical documentation concerning TMS and the elements of the POCL Service Infrastructure used to provide TMS. This documentation shall be suitable to allow POCL to procure applications which utilise TMS. These procurements shall not necessarily be from the Contractor.

1.8.2. All changes to such documentation shall be subject to the Change Control Procedure.

1.9. Requirement 471 - POCL Service Infrastructure - OPS: Messaging facilities

1.9.1. Using TMS and OPS it shall be possible to broadcast messages to all or a subset of Outlets by use of the Message Broadcast Service set out in Schedule G01.

1.9.2. TMS and OPS shall have the capability to be developed to allow, subject to change control, staff working in the Outlets to gain access to information held electronically on the POCL Service Infrastructure such as is currently published in 'Counter News' and the operations manuals provided hereunder by the Contractor.

1.10. Requirement 472 - POCL Service Infrastructure - OPS: Security of Data and Audit Trail

1.10.1. Data capture within OPS shall be accurate and robust.

1.10.2. The integrity and security of data held within the OPS shall be protected at all times. Full logs of Events within OPS shall be maintained and an audit trail of interactions with, and actions within, OPS shall be maintained.

1.10.3. The integrity and security of data held within OPS shall not be compromised by any Incident nor when OPS is re-established following any Incident.

1.11. Requirement 473 - POCL Service Infrastructure - OPS: User Access

1.11.1. Any remote access to OPS shall be restricted to Users specifically authorised by POCL and shall only take place via TMS.

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1.11.2. Access to OPS and POCL Services offered via OPS to staff working in the Outlets shall be controlled by a mechanism, conforming to the Horizon OPS Style Guide, offering multiple access levels and providing specific identification of each User.

1.11.3. It shall be possible to restrict the functionality available at an Outlet, to permit (inter alia) some POCL Services not to be offered at all Outlets.

1.11.4. There shall be support available to Users who have forgotten their passwords. A large proportion of the Outlets have only a single Counter Position. The support mechanism used shall not unduly reduce the effectiveness of access control.

1.11.5. There shall be a secure and reliable mechanism for Users to suspend and resume access to OPS and POCL Services offered via OPS. This shall not be unduly onerous or time consuming for Users.

1.12. Requirement 474 - POCL Service Infrastructure - OPS: Health, Safety, and Legal Obligations

The Contractor shall comply with all health, safety and legal obligations specified in Schedule A02

1.13. Requirement 475 - POCL Service Infrastructure - OPS: Horizon OPS Style Guide

1.13.1. The Contractor shall draw up the Horizon OPS Style Guide and agree this with POCL by a date consistent with the Project Plan. Any POCL Services to be offered via the OPS shall be provided in accordance with the Horizon OPS Style Guide.

1.13.2. The Horizon OPS Style Guide shall set out, inter alia, general guidelines for the Human Computer Interface, including screen layouts, system navigation routes and help and manual entry facilities.

1.13.3. The Human Computer Interface shall be intuitive and easy to use, to minimise errors and delays. The Human Computer Interface shall provide a consistent look and feel across all Applications and be easy to adapt to facilitate the introduction of new Applications.

1.14. Requirement 476 - POCL Service Infrastructure - OPS: Release control

1.14.1. The following requirements shall be met in connection with the distribution and subsequent activation of each Release.

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1.14.2. The following shall be approved by POCL before any Release, this approval not being unreasonably withheld:-

a) the contents of any Release;

b) the upgrade path for any Release;

c) the timing of the distribution of any Release;

d) the timing of the activation of any Release.

1.14.3. The Contractor shall provide proof of sufficient and satisfactory pre-testing of each Release, including the following aspects:-

a) at individual component (unit test) level;

b) of all components of the Release, both changed and unchanged, working together (system test);

c) of all components in combination with different hardware and software combinations which may be encountered when the Release is in live, non-training, use hereunder.

1.14.4. The Contractor shall provide proof of sufficient and satisfactory preparation for the implementation of a Release. This shall include testing the implementation, reversion and regression from the Release.

1.14.5. The implementation of any Release shall not cause any significant disruption to Users, shall not disrupt the normal working environment of Users and shall not require significant involvement from Users.

1.14.6. The implementation of any Release shall not cause any corruption to data held by or on behalf of POCL.

1.14.7. The Contractor shall maintain a detailed record of all Releases and where they are deployed.

1.15. Requirement 477 - POCL Service Infrastructure - OPS: Asset register

1.15.1. The Contractor shall maintain a detailed list of all physical components installed at POCL Premises (an OPS asset register) and make it available to POCL on request. From the list it shall be possible to identify all elements of the POCL Service Infrastructure installed at any location.

1.16. Requirement 478 - POCL Service Infrastructure - OPS: Basic TMS Facilities

1.16.1. TMS shall link into each instance of OPS that is to be used for live work.

1.16.2. TMS shall provide links into other computer systems as required to support POCL. These systems include:-

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a) Client systems operated on behalf of Clients; and

b) other POCL systems, including without limitation TIP and NBE.

1.16.3. TMS shall provide Data File collection and Data File delivery Services..

a) It shall be possible to collect Data Files from or deliver Data Files to any computer system attached to TMS.

b) The collection or delivery of Data Files shall be triggerable by any of:

- User action;
- time;
- in response to a message from an attached computer system or generated within TMS.

c) The collection or delivery of Data Files shall be retried automatically, under parameter control, in the event of any failure.

d) It shall be possible for POCL to specify a pre-defined list of computer systems to which a Data File is to be delivered or from which a Data File is to be collected.

1.16.4. TMS shall provide a message switching capability, where a message consists of electronic data which shall be passed from one computer system to another ("switched") with minimal delay.

a) It shall be possible to switch messages between any two attached computer systems (including without limitation between elements of the POCL Service Infrastructure in individual Outlets).

b) Where TMS is unable to deliver a message it shall notify the originating computer system, except for NBS related elements where the originating system is the NBE subject to the provisions of the CCD entitled "NBE-Horizon AIS".

c) TMS shall include the following processing capabilities:

- validation of Data Files;
- consolidation of many Data Files into one Data File;
- generating many Data Files from one Data File;
- reformatting the contents of Data Files;
- generating control totals through access to the contents of Data Files;
- reconciliation of control totals;
- produce reports summarising financial transactions.

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1.16.5. The Contractor shall maintain a full audit trail of all TMS activity.

1.16.6. The Contractor shall ensure that any transfer of Data Files or messages to or from TMS is, and can be shown to be, secure, complete accurate and robust.

1.17. Requirement 479 - POCL Service Infrastructure - OPS: Control and Monitoring of TMS links

1.17.1. No computer system shall be connected to the elements of the POCL Service Infrastructure on which TMS is provided without the approval of POCL.

1.17.2. TMS shall only allow connections to such elements of the POCL Service Infrastructure to be established with computer systems which are approved by POCL to be connected. The Contractor shall maintain a register of computer systems with which such connections are allowed.

1.17.3. TMS shall authenticate the identity of any computer system with which a link is to be established.

1.17.4. The POCL Infrastructure Services shall report any attempt to establish a link which is rejected. The Contractor shall provide these reports to POCL on request.

1.18. Requirement 480 - POCL Service Infrastructure - OPS: Logical Discreteness of TMS

1.18.1. TMS shall be logically discrete from other POCL Services such that other services can be separately procured that make use of TMS and such that, in extremis, a replacement service for TMS could be separately procured.

1.19. Requirement 481 - POCL Implementation - Documentation: Process and Procedures Documentation

1.19.1. The Contractor shall provide a comprehensive set of PPDs for completing Transactions undertaken in Outlets. For Existing Services, the related PPDs shall be provided before training for such services commences. For NBS, the related PPDs shall be provided by the date specified in the NB Project Plan. The PPDs shall also include the definitive procedural instructions for Transaction support processes at Outlets e.g. accounting, balancing, Value Stock taking, and details of what to do in emergency situations e.g. failure of the POCL Service Infrastructure.

1.19.2. In essence the PPDs shall provide full details of completing all automated procedures in all Outlets.

1.20. Requirement 482 - POCL Implementation - Documentation: Documentation Standards for PPDs

1.20.1. The documentation standards applicable to PPDs shall be agreed, from time to time.

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1.21. Requirement 484 - POCL Implementation - Documentation: Availability of PPDs

1.21.1. The Contractor shall provide POCL one paper copy and one electronic copy of each PPD and subsequent updates.

1.22. Requirement 485 - POCL Implementation - Documentation: Updating PPD Information

1.22.1. The PPDs shall be updatable and updated, in line with any Service Levels agreed between the parties from time to time, (or if not agreed, then within a reasonable time), to ensure information is always current.

1.23. Requirement 486 - POCL Implementation - Documentation: POCL's Approval

1.23.1. All documentation provided hereunder by the Contractor shall be subject to final approval by POCL.

1.24. Requirement 487 - POCL Implementation - Installation: Survey of Outlets by the Contractor

1.24.1. The Contractor shall carry out the survey of Outlets to ascertain what modifications are needed to install the POCL Service Infrastructure in respect of Roll Out.

1.25. Requirement 488 - POCL Implementation - Installation: Installation and Acceptance of the Office Platform

1.25.1. In respect of Roll Out, the installation and acceptance of the elements of the POCL Service Infrastructure used to provide the OPS shall be undertaken in one day at each location in the POCL Premises.

1.26. Requirement 489 - POCL Implementation - Installation: Removal of Existing Equipment

1.26.1. In respect of Roll Out, the Contractor shall, on completion of implementation at an Outlet and using an agreed process, disconnect and move existing automated equipment as specified by POCL, and identified during the relevant site survey, to a single location in mainland UK agreed with POCL.

1.26.2. Such existing automated equipment shall be limited to the PC configurations that support ECCO and / or ESNS at 15th May, 1996.

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1.27. Requirement 490 - POCL Implementation - Installation: Installation within Normal Business Hours

1.27.1. In respect of Roll Out, installation at an Outlet shall be carried out at times in accordance with the CCD entitled "Installation Strategy".

1.28. Requirement 491 - POCL Implementation - Installation: Completion of Internal Modifications

1.28.1. In respect of Roll Out, the Contractor shall carry out internal office modification work at all POCL Premises in accordance with Clause 406 of the Codified Agreement.

1.29. Requirement 492 - POCL Implementation - Installation: Modifications - Compliance with Legislation

1.29.1. The Contractor shall ensure that all staff and sub-contractors carrying out modification work shall conform to all legislative requirements.

1.30. Requirement 493 - POCL Implementation - Installation: Removal / Fitting of Equipment at Relocated / Refurbished Outlet

1.30.1. Subject to limitations defined in Annex 5 to Schedule A12, the Contractor shall, as an Optional POCL Service,:

a) be responsible for the removal / fitting of the Equipment when Outlets are either relocated or refurbished. The Contractor shall move equipment within Outlets if needed for refitment / refurbishment reasons (including refitment / refurbishment to make such Outlets open plan), and shall if necessary provide extra Equipment; and

b) if requested by POCL, equip new sites / relocated sites in line with POCL's evolving network strategy from time to time.

1.31. Requirement 494 - POCL Implementation - Installation: Response to Network Change Requests

1.31.1. The Contractor shall respond within a timescale (which shall be agreed between POCL and the Contractor before commencement of Roll Out of the POCL Services), to network change requests supplied by POCL, in accordance with Service Levels. This requirement covers provision and installation of equipment in new and relocated POCL Premises as well as the movement / reconfiguration of equipment within existing POCL Premises.

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1.32. Requirement 495 - POCL Implementation - Installation: Provision of Equipment at Counter Positions

1.32.1. Subject to the limit in Annex 5 to Schedule A12, the Contractor shall provide the Equipment at Counter Positions. These shall include modified parcel positions and some non-modified positions.

1.33. Requirement 496 - POCL Implementation - Installation: Installation of Equipment at Any Site Designated by POCL

1.33.1. The Contractor shall install the Equipment at any site designated by POCL which may include training centres.

1.34. Requirement 497 - POCL Implementation - Installation: Installation by the Contractor in Outlets

1.34.1. The Contractor shall install the POCL Service Infrastructure necessary for OPS in Outlets.

1.35. Requirement 498 - POCL Implementation - Integration: Migration of Existing Products and Systems

1.35.1. For Roll Out, the Contractor shall migrate existing POCL Products and POCL systems from current POCL platforms - APT, ECCO+, ALPS, manual - to the POCL Service Infrastructure with no discontinuity of service to Customers and Clients. The Contractor shall work closely with POCL to plan how best to achieve effective migration. At Outlets, data transfer and associated tasks shall be expedited as efficiently as possible with minimum staff / subpostmaster involvement.

1.35.2. For Roll Out, in office data migration shall be carried out in accordance with the Migration Specification. To the extent that the first paragraph of this requirement 498 is inconsistent or in conflict with the Migration Specification, the Migration Specification prevails.

1.36. Requirement 499 - POCL Implementation - Integration: Timing of Installation

1.36.1. Installation of the POCL Service Infrastructure shall not take place in respect of Roll Out until the support services are available.

1.37. Requirement 500 - POCL Implementation - Roll Out: Confirmation of Permissions for Modifications

1.37.1. The Contractor shall obtain in each case certification from the appropriate Authorising Officer that relevant permissions have been granted before modifications to each POCL Premises are carried out.

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1.38. Requirement 501 - POCL Implementation - Roll Out: Planning and Agreement of Site Visits

1.38.1. The Contractor shall ensure there is a process in place to ensure all Outlets and Horizon Implementation Managers are aware of and agree the times and dates of all site visits in respect of Roll Out. The relevant Horizon Implementation Manager shall be the final arbiter in case of disagreements between the Contractor and the Outlet Manager.

1.39. Requirement 502 - POCL Implementation - Roll Out: Survey Activities to Avoid Disruption to Service

1.39.1. The Contractor shall carry out all survey activities with minimum degradation of post office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.40. Requirement 503 - POCL Implementation - Roll Out: Modifications to Avoid Disruption to Services

1.40.1. The Contractor shall carry out all modification activities with minimum degradation of Post Office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.41. Requirement 504 - POCL Implementation - Roll Out: Use of Existing Equipment

1.41.1. The Contractor shall utilise existing POCL equipment as specified in Schedule A09.

1.42. Requirement 507 - POCL Implementation - Roll Out: Installation to Avoid Pressure Periods

1.42.1. For Roll Out, unless otherwise agreed with the Horizon Implementation Manager and / or Outlet Manager, the Contractor shall minimise installation activity of the Equipment on POCL Premises during particular business periods, namely Christmas and New Year pressure periods, and other post office specific dates agreed by the Contractor and POCL on an annual basis (such agreement not to be unreasonably withheld or delayed).

1.43. Requirement 508 - POCL Implementation - Roll Out: Suspension

1.43.1. POCL may suspend the Roll Out programme if the Contractor fails to meet any of the Service Levels.

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1.44. Requirement 509 - POCL Implementation - Roll Out: Siting of Equipment in Outlets

1.44.1. The siting of the elements of the POCL Service Infrastructure other than PIN Pads in each Outlet shall be in accordance with the processes set out in the Horizon Counter Infrastructure Rollout - Survey Requirement Specification document.

PIN Pads shall be installed after Roll Out as a separate service, in accordance with Schedule G12.

Siting of PIN pads will be decided by POCL

1.45. Requirement 510 - POCL Implementation - Roll Out: Common Planning Base for All Types of Outlet

1.45.1. For the purpose of Roll Out planning the Contractor shall make no particular distinction between types of "main" post office (e.g. branch offices, modified sub post offices and franchised post offices).

1.46. Requirement 511 - POCL Implementation - Roll Out: Installation to avoid disruption to services

1.46.1. The Contractor shall carry out all installation activities with minimum degradation of post office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.47. Requirement 512 - POCL Implementation - Roll Out: Overriding Constraints to Speed of Roll Out

1.47.1. Roll Out of the POCL Service Infrastructure and POCL Services shall be undertaken as quickly as possible subject to the over-riding requirement to:

a) maintain service and Client continuity;

b) maintain the quality of service delivery to Clients and Customers;

c) appropriate support systems - including training - being in place;

d) avoidance of damage to POCL's brand, reputation and integrity;

e) treat POCL's staff and Agents professionally and with respect;

but in any case shall be completed by a date consistent with the Project Plan.

1.48. Requirement 513 - POCL Implementation - Roll Out: POCL's Agreement to Equipment Upgrades

1.48.1. The Contractor shall only upgrade the Equipment at Outlets with the prior approval of POCL. This approval shall not be unreasonably withheld.

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1.49. Requirement 514 - POCL Implementation - Roll Out: Mechanism for Determining that Outlets are Ready to Go Live

1.49.1. For Roll Out, the Contractor shall provide a process for determining that individual POCL Premises are ready to go live i.e. that the new POCL Service Infrastructure functionality at such POCL Premises shall be activated for use. POCL may withhold agreement to such activation if, for any reason, it determines that in a particular set of circumstances such activation is detrimental to its Customers, Clients, staff, or Agents. If such activation is not sanctioned, POCL and the Contractor shall resolve outstanding issues as soon as possible.

1.50. Requirement 516 - POCL Implementation - Roll Out: POCL Rights to Amend Roll Out Programme

1.50.1. POCL reserves the right to request amendments to the Roll Out Programme, in accordance with the Change Control Procedure, as necessary to protect its Service Levels.

1.51. Requirement 517 - POCL Implementation - Roll Out: Outlet Modifications to be Completed in One Visit

1.51.1. For Roll Out, the modifications will be completed in one visit to the Outlet. Telecommunication line installation may be carried out separately and with prior notification to the Horizon Implementation Manager and / or Outlet Manager (approval not required for telecommunication installation provided that it is carried out during normal working hours of the relevant Outlet). It is recognised that modification work in larger Outlets, i.e. those with more than six (6) counter positions, may need to span more than one day. In these, or other exceptional circumstances, arrangements to complete such work over more than one day will be subject to mutual agreement between the Contractor, the Horizon Implementation Managers and / or Outlet Managers, but such agreement shall not be unreasonably withheld.

1.52. Requirement 518 - POCL Implementation - Roll Out: Outlet Survey to be Completed in One Visit

1.52.1. In respect of Roll Out each Outlet survey shall be completed in one visit to the Outlet.

1.53. Requirement 519 - POCL Implementation - Operational Services: Installation at Previously Unequipped Counter Positions

1.53.1. Subject to the limits in Annex 5 to Schedule A12, the Contractor shall provide and install the POCL Service Infrastructure used for OPS at Counter Positions not previously so automated as directed by POCL. This shall include PIN Pads once the national deployment of PIN Pads has commenced in accordance with Schedule G12.

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1.54. Requirement 520 - POCL Implementation - Supporting Services: Availability from Day One

1.54.1. In respect of Roll Out the Contractor shall ensure that all the support services shall be available before activation of the POCL Service Infrastructure in each POCL Premises in line with the Service Levels.

1.55. Requirement 521 - POCL Implementation - Supporting Services: Help Desk Services Single Point of Access

1.55.1. The Contractor shall provide one telephone number as a single point of access to all Help Desk Services.

1.56. Requirement 522 - POCL Implementation - Supporting Services: Help Desk Telephone Number

1.56.1. The Help Desk contact point for POCL Users shall be a local rate telephone number.

1.57. Requirement 523 - POCL Implementation - Supporting Services: Levels of Support Service

1.57.1. The Contractor shall provide appropriate levels of support services:

a) to all Users who have access to the POCL Service Infrastructure;

b) to cover the operation of interfaces with the POCL Service Environment;

c) to provide support for all other help desks linked to the Help Desk facility provided by the Contractor.

1.58. Requirement 524 - POCL Implementation - Supporting Services: Help Desk Hardware Support

1.58.1. The Help Desk Service shall deal, without limitation, with calls relating to the Hardware. This shall include, but is not exclusive to:

a) fault diagnosis;

b) maintenance call out;

c) caretaking advice;

d) configuration management.

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1.59. Requirement 525 - POCL Implementation - Supporting Services: Help Desk Additional support services

1.59.1. The Help Desk must be able to provide access for Users to additional support services (including training facilities and training materials for Existing Services, operational support documentation, and consumables) by the commencement of Roll Out and shall provide such access thereafter when requested to do so by POCL.

1.60. Requirement 526 - POCL Implementation - Supporting Services: Help Desk Resolution of Reported Incidents

1.60.1. All reported Incidents shall be resolved in line with Service Levels.

1.61. Requirement 527 - POCL Implementation - Supporting Services: POCL Help Desk

1.61.1. A dedicated POCL Help Desk staffed by fully trained, qualified and experienced personnel shall be provided working to Service Levels.

1.62. Requirement 528 - POCL Implementation - Supporting Services: Help Desk Re-Routing of Calls

1.62.1. Calls made to the POCL Help Desk that are not pertinent to it shall be re-routed to the appropriate point as per Service Levels.

1.63. Requirement 529 - POCL Implementation - Supporting Services: Help Desk Compliance with POCL Help Service Behavioural Standards

1.63.1. The Help Desk Service shall comply with POCL help service behavioural standards in accordance with Service Levels.

1.64. Requirement 530 - POCL Implementation - EPOSS Functionality Availability of Services

1.64.1. Deleted

1.65. Requirement 531 - POCL Implementation - Training: Acceptable Standards in Key Competencies

1.65.1. For Roll Out and for the Existing Services, training shall be provided to enable POCL's target audience to achieve acceptable standards in key competencies as defined by POCL by a date consistent with the Project Plan. These competencies shall be reviewed from time to time. For some groups this may mean familiarisation training only. The target audience shall include Users, managers, trainers, auditors and certain non-User groups i.e. retail network managers, regional helpline staff, and account teams in business centres. The Contractor shall deliver the training in the manner specified in the solution to this Requirement.

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1.65.2. Competence shall be measured by a method agreed between POCL and the Contractor by a date consistent with the Project Plan.

1.66. Requirement 532 - POCL Implementation - Training: new Products and Product Changes

1.66.1. For Roll Out and the Existing Services, the Contractor shall train all appropriate staff in the handling of new Products or Product changes, when such staff are trained in the five POCL Core Days before live usage of the POCL Service Infrastructure at their Outlet, as provided for by Requirement 915.

1.67. Requirement 533 - POCL Implementation - Training: Non Interference with Data Transfer or Integrity

1.67.1. If the POCL Service Infrastructure has a facility to operate in dummy training mode, it shall not interfere with the transfer or integrity of POCL Data.

1.68. Requirement 534 - POCL Implementation - Training: Suitability for Different User Groups

1.68.1. For Roll Out and the Existing services, the Contractor's training solution shall take account of Users' experiences in term of automated products and platforms (ECCO+, APT, ALPS) and their differing abilities to learn. The Contractor shall agree with POCL (such agreement not to be unreasonably withheld or delayed) the training requirements for the different target audiences identified including training required when individuals move between these target audiences. This may include change of Outlet, promotion, new recruits etc.

1.69. Requirement 536 - POCL Service Infrastructure - OPS: Equipment General Requirements

1.69.1. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be reliable, robust and easy to use.

1.69.2. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be capable of detecting contention, premature removal/swapping of Tokens etc. as appropriate.

1.70. Requirement 537 - POCL Service Infrastructure - SMS: System Management

1.70.1. The Contractor shall carry out system management of all the POCL Services in a consistent and coherent manner to ensure the following:

a) activities within the POCL Services, including TMS, OPS, OBCS, APS,EPOSS and NBS are co-ordinated such that, for example, changes and faults can be tracked across Service boundaries;

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b) changes to the POCL Services can be made speedily and accurately.

1.71. Requirement 538 - POCL Service Infrastructure - SMS: Synchronisation of Time

1.71.1. SMS shall provide a facility for synchronising the date and time across the POCL Services and the POCL Service Infrastructure. This shall cater for the handling of clock changes (e.g. at the beginning and end of British Summer Time).

For the avoidance of doubt, the POCL Services and the NBE may not have the date and time synchronised.

1.71.2. SMS shall permit Transactions to be processed using local time and/or GMT, and all the relevant elements of the POCL Service Infrastructure shall be able to derive both local time and GMT.

1.72. Requirement 539 - POCL Service Infrastructure - SMS: Reference Data Handling

1.72.1. SMS shall maintain Reference Data necessary to the operation of the POCL Service Infrastructure and the POCL Services.

1.72.2. SMS shall receive store and utilise Reference Data from sources outside the control of the Contractor (e.g. the POCL Reference Data System and Client systems).

1.72.3. It shall be possible to implement changes to Reference Data to tight timescales. As an example of such timescales, it shall be possible to implement Reference Data changes consequent on a Budget by start of business on the following day.

1.73. Requirement 540 - POCL Service Infrastructure - OPS: Equipment Environmental Considerations

1.73.1. The Contractor shall give due attention to the effects of the Equipment used in the provision of OPS on the environment during manufacture, installation and use. This includes:

a) use of CFCs;

b) energy consumption;

c) recyclability of components;

d) recyclability of consumables;

e) waste minimisation;

f) use of sustainable resources;

g) disposal of displaced equipment and waste;

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h) making appropriate use of recycled materials.

1.73.2. The Contractor shall adhere to relevant environmental legislation such as the Environmental Protection Act 1990 and publication 'Waste Management: The Duty of Care - A Code of Practice'.

1.74. Requirement 541 - POCL Service Infrastructure - TMS: Scaleability

1.74.1. TMS shall be scaleable to meet POCL's business needs from time to time.

1.74.2. This capability shall include the ability to support any Client Transactions re-engineered by POCL, new capabilities developed by POCL and considerable volumes of Transactions needing authorisation from a Client system or a central point in POCL.

1.75. Requirement 542 - POCL Service Infrastructure - OPS: Continued Support of Operating Systems, Middleware and Applications Software

1.75.1. The Contractor shall fully support the Software in the POCL Service Infrastructure during the life of the elements of the POCL Service Infrastructure on which such Software is utilised in providing the POCL Services.

1.76. Requirement 543 - POCL Applications - APS: Tokens

1.76.1. The APS shall support the following range of Tokens:

a) Landis & Gyr PISCES Smart Token;

b) GEC Meters WATERCARD Smart Token;

c) Schlumberger Smart Key for the water industry;

d) Schlumberger Smart Key for the electrical industry;

e) magnetic stripe card;

f) British Gas Quantum Smart Token;

g) bar coded documents

h) British Gas Trading SPM Smart Token.

1.77. Requirement 544 - POCL Applications - APS: Clients/Client Service Types

1.77.1. The Contractor shall provide the APS to POCL in respect of all its APS Clients listed in Appendix A of the document Automated Payments System Client List, PCL/PRD/APS/001.

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1.77.2. The Contractor shall provide the APS such that Clients or APS Client Service Types (which conform to generic APS) may be added to, modified or removed from, the APS on a regular basis.

1.77.3. The Contractor shall provide assistance to implement an interface to additional third party applications/Tokens if so required by POCL.

1.77.4. The Contractor shall provide technical assistance to support POCL's relationship with Clients and potential Clients.

1.77.5. The Contractor shall develop and maintain the APS in a generic way that enables additional APS Client Service Types to be added with minimum cost and disruption.

1.78. Requirement 545 - POCL Applications - APS: Documentation

1.78.1. The technical and overview documentation describing the APS is set out in the following documents which are entered on the list of Contract Controlled Documents:

a) Automated Payments Service Overview, reference AP/SER/001

b) AP Client Take on Process, reference AP/PRD/001.

1.78.2. The Contractor shall develop and maintain an AP Client Specification which specifies the details of each Client/Client Service Type of the APS, including but not limited to the Client interface specification, the presentation of information on OPS, the data involved and any necessary timings.

1.78.3. AP Client Specification contents shall include:

1. Client identity and overview

This section identifies the Client for whom a specific instance of the APS is to be provided and provides an overview of the Client's business objectives in relation to the APS.

2. Tokens and Methods of Payment

A description of the Token(s) that the Client requires its customers to use and the Method(s) of Payment that are acceptable to the Client.

3. Transaction data

- Contents;
- Validation;
- Sort/Substitution/Customisation;
- Batching;

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- Transfer.

4. Other data

- Contents;
- Validation;
- Availability.

5. Client service levels

1.78.4. All AP Client Specification documents will be the subject of the Change Control Procedure and will be entered on the list of Contract Controlled Documents when approved.

1.79. Requirement 546 - POCL Applications - APS: General Constraints

1.79.1. The Contractor shall deliver the APS using the POCL Service Infrastructure.

1.79.2. The Contractor shall make the APS available at all Counter Positions, subject to the limits contained in Annex 5 of Schedule A12, and at such other places where the POCL Service Infrastructure exists.

1.79.3. The Contractor shall ensure that the availability of each APS Client Service Type at each Outlet is individually controllable on authority from POCL.

1.80. Requirement 547 - POCL Applications - APS: Data Capture and Validation

1.80.1. The Contractor shall ensure that data are captured correctly, robustly, accurately, securely and as defined in the AP Client Specifications. Each AP Client Specification added from time to time will be introduced as a Contract Controlled Document through the Change Control Procedure.

1.80.2. The APS shall, as a minimum, validate data, whether read from Tokens or entered by the User, in accordance with a set of rules identified in:

a) POCL Automated Payments Generic Rules;

b) Token Technology Specifications;

c) the AP Client Specification.

1.80.3. The APS shall check data, whether read from Tokens or entered by the User, against any valid Client data or Reference Data for the Client Service Type (e.g. stop lists) and take the action prescribed in the relevant AP Client Specification or Token Technology Specification.

1.80.4. The APS shall display User instructions specific to a Client Service Type as identified in the relevant AP Client Specification.

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1.81. Requirement 548 - POCL Applications - APS: Transaction Committal

1.81.1. The APS shall commit the Transaction when:

a) monies have been accepted; or

b) a Transaction has been reversed; or

c) a Token has been issued; or

d) a Smart Token has been accessed (including an abandoned or enquiry Transaction).

1.82. Requirement 549 - POCL Applications - APS: Transaction Reversal

1.82.1. The APS shall enable the Reversal of committed Transactions if eligible for Reversal as defined in:

a) POCL Automated Payments Generic Rules;

b) Token Technology Specifications;

c) AP Client Specification.

1.82.2. The Contractor shall provide a secure and auditable process for dealing with such Reversals.

1.83. Requirement 550 - POCL Applications - APS: Update of APS Tokens

1.83.1. The APS shall write data to APS Tokens in accordance with the rules identified in the appropriate Token Technology Specification, AP Client Specification and POCL Automated Payments Generic Rules.

1.84. Requirement 551 - POCL Applications - APS: Receipting

1.84.1. The APS shall produce a Transaction receipt for each committed Transaction.

1.84.2. The Transaction receipt shall include, as a minimum, information sufficient to provide a Transaction audit, plus any other information identified in the appropriate AP Client Specification and Token Technology Specification.

1.84.3. The Transaction receipt produced for an APS Reversal Transaction shall identify it as a Reversal and identify the original (reversed) Transaction.

1.84.4. In the event of printer failure the APS shall provide information to enable a manually completed receipt to be produced.

1.84.5. The APS shall enable individual Outlets to produce bilingual receipts (Welsh/English).

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1.84.6. The APS shall support retrieval of Transaction information for the purpose of resolving Customer queries in the Outlets and this may be by retention of a duplicate receipt or by other means.

1.85. Requirement 552 - POCL Applications - APS: Transaction Collection / Delivery

1.85.1. The APS shall maintain and deliver committed Transactions to POCL and Clients in accordance with the following:

a) POCL Automated Payments Generic Rules;

b) the appropriate AP Client Specification;

c) Token Technology Specification.

1.86. Requirement 553 - POCL Applications - APS: Client Data Collection and Distribution

1.86.1. The Contractor shall ensure that Data Files from POCL and Clients are collected/received and validated in accordance with the relevant AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules.

1.86.2. The Contractor shall ensure that Data Files from POCL and Clients are available to all, groups of, or specific Outlets in accordance with the appropriate AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules.

1.87. Requirement 554 - POCL Applications - APS: Fallback and Recovery

1.87.1. The Contractor shall provide fallback facilities for the APS in situations when a User is unable to use part or all of the POCL Service Infrastructure (for whatever reason) and this provision shall maintain the integrity, auditability, security and levels of Customer service.

1.87.2. The Contractor shall ensure that following an Incident that adversely affects the integrity of APS data, the APS is automatically recovered to a known position and each User is able to identify what Transaction data have to be re-entered.

1.87.3. The Contractor shall ensure that following an Incident any previously recorded APS data which may have been corrupted are discarded.

1.87.4. The APS shall provide facilities for the re-input (Recovery) of previously captured Transaction data which have been lost following an Incident.

1.87.5. The APS shall provide facilities for the input (Recovery) of the details of Customer Transactions performed whilst the OPS was unavailable.

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1.87.6. The APS shall provide facilities to enable data Recovery to be achieved swiftly and in an auditable way.

1.87.7. The APS shall enable data Recovery to be achieved with minimal impact to Customer service.

1.87.8. The APS is not required to produce a receipt for recovered Transactions (a receipt would have been produced, either manually or automatically produced, at the time of the counter Transaction).

1.87.9. The APS shall facilitate the over-riding of certain validation rules for recovery Transactions, as specified in the POCL Automated Payments Generic Rules.

1.88. Requirement 555 - POCL Service Infrastructure - OPS: Capabilities on Initial Implementation

1.88.1. In each Outlet, at each automated Counter Positions, from Roll Out at such Outlet, OPS shall:

a) support the reading of track 2 from magnetic stripe cards complying with ISO 7811 parts 1-4;

b) support the reading from and writing to Smart Tokens complying with:

- ISO 7816 parts 1 and 2;
- and /or ISO 7816 parts 1, 2 and 3;

and be capable of supporting future applications complying with:

- ISO 7816 part 4.

c) support magnetic stripe cards and Smart Tokens that do not match the above standards in all respects (e.g. where embossing is not in the correct position, or the magnetic stripe does not adhere fully to the standards set out in paragraph 1.1) save to the extent specified in the Solution to this Requirement;

d) support the reading of one dimensional bar-codes. The maximum bar-code width to be read shall be 10.9 cm at a resolution of 9 mils. OPS shall support, at minimum code 128, EAN 8, EAN 13, code 39.

1.88.2. In each Outlet from Roll Out at such Outlet EPOSS shall:

a) support printing on manually fed pre-printed forms at the counter, for example Girobank summary forms G4631, G4632 and G4633;

b) support printing on cheques and other forms at the counter;

c) support printing of existing Client reports at the counter. This shall include printing in large fonts and printing with 90 degree rotation;

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d) support the connection of electronic weighing scales (which shall not be supplied under the Codified Agreement) to the POCL Service Infrastructure. As a minimum, connections shall include Avery Berkel type D104 and A702. It shall be possible to share a set of weighing scales between two or more Counter Positions at which the POCL Service Infrastructure has been installed;

e) support the printing of reports necessary to meet existing Client commitments;

f) support the printing of cash accounts and plain paper summaries;

g) support the printing of PDF417 two dimensional bar-codes on forms generated through back office processing. Typically the two dimensional bar-code shall be used to contain cash account information;

h) support the printing of one dimensional bar-codes at the counter on forms as well as tally roll print, if such support is provided for in the Solution to this Requirement. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable;

i) support the printing of one dimensional bar-codes at the back office, if such support is provided for in the Solution to this Requirement. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable.

1.88.3. In each Outlet, from Roll Out at such Outlet and deployment of PIN Pads at such Outlet, OPS shall:

a support the connection of PIN Pads

b support from those PIN Pads the reading from and writing to Smart Tokens which comply with:

- ISO 7816 parts 1, 2 and 3;
-

and be capable of supporting future applications complying with:

- ISO 7816 part 4.

The functionality described in "b" above is not used by the Existing Services on the NBS and is intended for use in future services which may be agreed under the Change Control Procedure

1.89. Requirement 557 - POCL Service Infrastructure - OPS: Flexibility

1.89.1. OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall have the flexibility for additional peripheral equipment to be added in the future, including input devices and printers.

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1.89.2. POCL shall have the option to add up to three types of additional peripheral equipment one of which shall be PIN Pads.

1.89.3. POCL shall have the option to require OPS to support the reading of OCR to interpret code lines on bills etc. If such option is exercised, the Charges for such Service shall be as set out in the Solution to this Requirement.

1.89.4. POCL shall have the option to require OPS to support the reading of two dimensional bar-codes. If such option is exercised, the Charges for such Service shall be as set out in the Solution to this Requirement.

1.89.5. POCL may, as an Additional POCL Service, require OPS and the elements of the POCL Service Infrastructure on which OPS is provided to be linked to teller cash dispensers. Such Additional POCL Service shall be subject to agreement with the Contractor.

1.90. Requirement 558 - POCL Service Infrastructure - OPS: Equipment Capacity

1.90.1. The OPS shall support the POCL imperative of keeping Transaction times to a minimum.

1.90.2. The OPS shall be capable of supporting the entire range of business transacted at Outlets for current volumes of business and volumes of business as projected by POCL.

1.91. Requirement 559 - POCL Service Infrastructure - OPS: Extent

1.91.1. OPS shall be provided in each Outlet.

1.91.2. OPS shall have the ability to support the automation of all Transactions performed at Counters Positions.

1.91.3. From Roll Out in each Outlet OPS shall be capable of supporting APS, OBCS and EPOSS in that Outlet.

1.92. Requirement 560 - POCL Service Infrastructure - OPS: Technology Refresh

1.92.1. POCL wishes to take advantage of changes in technology during the term of the Codified Agreement.

1.92.2. No change shall be made to the specification of equipment to be used within the POCL Service Infrastructure, without approval by POCL.

1.92.3. The specification of the equipment being used and installed within the POCL Service Infrastructure shall be reviewed by the parties at times reasonably agreed by them, to ensure that the most appropriate technology is deployed.

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1.93. Requirement 561 - POCL Service Infrastructure - OPS: Licence Indemnities

1.93.1. The Contractor shall indemnify POCL against any dispute of the Contractor's or POCL's right to utilise the Hardware, Software or any information used for any of the POCL Services (e.g. third party challenges with reference to licensing or Intellectual Property Rights). In the event of any such dispute, the Contractor shall ensure that there is no impact on the level of the POCL Services.

1.94. Requirement 691 - POCL Applications - EPOSS: Inventory Management

1.94.1. EPOSS shall support cash management by denomination and Stock management by Stock Item.

1.94.2. EPOSS shall support the recording of Transfers of cash and Stock into and out of the Outlet.

1.94.3. EPOSS shall provide a facility to allow the authorised update of cash and Stock held in an Outlet via the OPS.

1.95. Requirement 692 - POCL Applications - EPOSS: Methods of Payment

1.95.1. EPOSS shall accept single or multiple Methods of Payment as settlement.

1.95.2. EPOSS shall allow the implementation of new types of Methods of Payment, including without limitation debit cards and EFTPOS.

1.95.3. The Contractor shall indicate their proposals to implement an EFTPOS Service.

1.95.4. The Contractor shall be aware that:

a) POCL may require an EFTPOS facility as Method of Payment on EPOSS, probably just debit cards initially (e.g. Switch, Connect) but perhaps extending to credit cards later, (e.g. Visa and Mastercard). The capability to handle both debit and credit cards from commencement of such a facility;

b) indicative volumes for EFTPOS at 15th May 1996 were:

- between 30 and 50 million EFTPOS payments per annum;
- 70% above the floor limit (£15 working assumption) and so needing authorisation;

a) the main Transactions for which EFTPOS will be used are expected to be:

- motor vehicle licence renewals (34%), bill payments (38%, about half BT and half others);
- television licence payments (11%) and payment for purchases from PostShops (5%), all estimates;

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- other likely Transactions leading to EFTPOS are expected to include travel insurance and bureau de change and cash withdrawals;
- there would be no Cash-Back option initially;

b) business arrangements have not yet been finalised but the current assumptions are for:

- a single Merchant Acquirer;
- on-line authorisation and batch Transaction submission to be via TMS;
- reconciliation of EFTPOS payments on the EPOSS Transaction log with an electronic data stream version of the daily bank account updates;
- signed receipts may be stored in the Outlets, remitted to Distribution Centres or dispatched to a central facility (which the Contractor may wish to offer);
- POCL expects to need to retrieve receipts in order to prove Transactions at 0.2% or between 60,000 and 100,000 per annum at above volumes.

1.95.5. POCL requires guidance from the Contractor as to the options for EFTPOS on the particular facilities being proposed and the relative costs and benefits of each.

1.96. Requirement 693 - POCL Applications - EPOSS: Receipting

1.96.1. EPOSS shall allow production of a VAT receipt for Customers at the end of each Customer Session, but before the next Transaction is entered.

1.96.2. EPOSS shall allow automatic production of a non VAT receipt for Customers to support a specific POCL Service e.g. APS.

1.96.3. The Contractor shall agree the format of all styles of receipts with POCL by a date consistent with the Project Plan.

1.96.4. A bilingual Welsh/English receipt header and footer is required in designated Outlets.

1.96.5. EPOSS shall allow production of additional (duplicate) receipts and they shall be marked as such.

1.97. Requirement 694 - POCL Applications - EPOSS: Data Capture

1.97.1. The Contractor shall provide a point of sale / "Till" function to record all sales.

1.97.2. Data shall be automatically recorded in EPOSS if captured during another POCL Service at the point of sale.

1.97.3. EPOSS shall allow the manual input by the User of weight values where scales are not linked.

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1.97.4. EPOSS shall be event driven so that both data capture and the recording of POCL Services are dynamic (e.g. the swiping of a magnetic stripe card initiates the Transaction).

1.97.5. EPOSS shall have the facility to read data from any input device supplied as part of the POCL Service Infrastructure used in providing OPS.

1.98. Requirement 695 - POCL Applications - EPOSS: Stock Unit Control

1.98.1. EPOSS shall provide the facility to adjust cash and Stock levels within a Stock Unit to reflect the actual levels on hand.

1.98.2. EPOSS shall provide each Outlet with the flexibility to set up Stock Unit(s) according to the local working practice requirement.

1.98.3. Within EPOSS there shall be a Stock Unit management facility at Outlet level to change Stock Unit options and assignments.

1.98.4. The Contractor shall be aware that Stock Units are individual units of accountability which contain Stock (fixed price Stock Items, Customer and Client specific Tokens, retail Stock Items, cash and Transaction Vouchers for a POCL Outlet Accounting Period.

1.98.5. EPOSS shall allow a User or group of Users to be accountable for a Stock Unit, so that each Outlet has at least one Stock Unit, but there can be other Stock Units, effectively operating independently.

1.98.6. Each Stock Unit can in turn be tied to both a User or group of Users or a single Till or group of Tills.

1.98.7. EPOSS shall allow each Stock Unit to be Balanced individually. The Stock Unit may be Balanced more than once within a POCL Outlet Accounting Period. Cash and Stock Items shall be entered by denomination or Stock Item level. This applies whether or not multiple Tills are linked to a single Stock Unit.

1.98.8. At the end of the POCL Outlet Accounting Period an Outlet Balance is struck with the details provided by the Balanced Stock Units.

1.98.9. An Outlet brings to account manual voucher Transactions including Transaction Vouchers, automated voucher Transactions including Transaction Vouchers, reports the Suspense Account position and the Stock and cash totals within the approved Cash Account format.

1.98.10. The cycle is repeated in the new POCL Outlet Accounting Period with an Outlet Balance brought forward value that includes the Stock and cash in hand, Suspense Account and loss and gain position from the previous POCL Outlet Accounting Period.

1.98.11. EPOSS shall provide a secure mechanism for controlling access to a Stock Unit.

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1.99. Requirement 696 - POCL Applications - EPOSS: Reporting

1.99.1. EPOSS shall allow production of a daily Report that shows, at Outlet level, the cash holdings by individual denomination of bank note and coin. The format of the report shall be agreed by POCL and the Contractor by a date consistent with the Project Plan.

1.99.2. EPOSS shall support the summarisation of daily and weekly Transaction Vouchers at Stock Unit level.

1.99.3. EPOSS shall support a reporting facility to print on Client cut sheet stationery where the Client requires it (including without limitation Girobank daily summaries).

1.99.4. The Contractor shall be aware that Girobank is only an example - POCL needs to keep the flexibility to print on other cut sheets e.g. tax discs/cheques in due course.

1.99.5. The format of all styles of receipts shall be agreed by POCL and the Contractor by a date consistent with the Project Plan. A bilingual Welsh/English version is required in designated Outlets.

1.99.6. EPOSS shall allow production of duplicate receipts and they shall be marked as such.

1.99.7. EPOSS shall support a reporting facility to print on Client cut sheet stationery to support Girobank and the Postmaster's Daily Record (PDR) summarisation.

1.99.8. EPOSS shall support reporting by journal/tally roll and on A4 sheets to Client requirements at both Stock Unit and Outlet levels, with the format to be agreed by a date consistent with the Project Plan.

1.99.9. EPOSS shall allow reporting to be previewed on screen.

1.100. Requirement 697 - General - Audit: Access

1.100.1. The Contractor and his sub-contractors shall keep or cause to be kept Records (including financial records) of all Services, covering materials and POCL Services provided, timesheet records, contracts let to sub-contractors and Charges levied to POCL. These Records shall not be more detailed than those held by the Contractor for its own audit purposes.

1.100.2. The Contractor shall permit POCL or POCL'S representatives (including those bodies listed in paragraph 2.1 of Schedule A03) unrestricted access to the Records for the purpose of auditing and reporting on the performance, including charging and accounting aspects, of the POCL Services.

1.100.3. Such access shall be provided on request and shall include access to premises, facilities, Services, documentation, information (magnetic or otherwise), staff, procedures, timesheets and other data used directly as a basis for charging belonging to the Contractor which relate to the provision of the POCL Services.

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1.100.4. The Contractor shall implement audit recommendations in accordance with provisions of the change control procedures.

1.100.5. The Contractor shall provide within reasonable timescales either documentary or demonstrable evidence of such changes and shall if required provide access to the POCL'S representatives to monitor and confirm the implementation of such changes.

1.101. Requirement 698 - General - Security: Policy

1.101.1. The Contractor shall minimise and control liabilities to itself and POCL.

1.101.2. The Contractor shall, by a date consistent with the Project Plan, set up an organised security infrastructure covering:

a) the agreement of a security policy;

b) allocation of security responsibilities;

c) security education and training;

d) reporting security incidents;

e) physical security control;

f) virus control;

g) business continuity;

h) control of Software;

i) safeguarding POCL records;

j) information classification;

k) compliance with data protection and other legislation;

l) information exchange control;

m) Contractor's sub-contractors and suppliers;

n) compliance with security policy;

o) the management of fraud and risk during service operation.

1.101.3. The Contractor shall be compliant with ISO: 17799.

1.102. Requirement 699 - General - Audit: Trail

1.102.1. An audit trail shall be maintained during periods of POCL Service operation including fallback and Recovery.

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1.102.2. The audit trail shall record all Data File transfer, messaging and processing, whether as a result of manual or automated action.

1.102.3. The information recorded shall be sufficient to identify the action, by whom it was undertaken, when it was undertaken, why it was undertaken, where it was undertaken and the resulting outcome.

1.102.4. The audit trail shall allow activities that utilise more than one of the POCL Services to be traced across the POCL Services from start to finish, or from an intermediate POCL Service in any direction, with certainty.

1.102.5. The audit trail shall provide information to allow the original Transaction to be recreated.

1.102.6. The content of the audit trail shall be agreed with POCL by a date consistent with the Project Plan.

1.102.7. Subject to Clause 801, audit trail records for Existing Services shall be retained for a period consistent with Companies Act requirements, or for a period of at least eighteen (18) months, whichever is longer.

For NBS, audit trail records shall be retained for 7 years.

1.102.8. The audit trail shall be available for inspection by POCL or their representatives as listed in paragraph 2.1 of Schedule A03.

1.102.9. The audit trail shall have a level of security such that it cannot be altered or deleted.

1.102.10. The integrity of the audit trail shall be continued during periods of partial or complete service loss or failure.

1.102.11. The audit trail shall comply with Requirement 829.

1.102.12. Technological changes to the POCL Services or the POCL Service Infrastructure shall not render the audit trail unusable.

1.103. Requirement 799 - POCL Applications - APS: Token Issue

1.103.1. The Contractor shall provide a facility that permits the issue at Outlets of replacement APS Tokens and APS Tokens for new Customers, as directed by POCL.

1.104. Requirement 800 - POCL Applications - EPOSS: Serve Customers (A)

1.104.1. EPOSS shall support the recording of all Transactions between the Customer and the User.

1.104.2. EPOSS shall allow the selection of Customer Sessions to allow for:

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a) normal Customer service; or

b) a Refund; or

c) a Reversal.

1.104.3. EPOSS shall uniquely identify a Customer Session and each Transaction within the Balancing Period.

1.104.4. EPOSS shall allow Customer Session completion to be implemented in a way to encourage a 'one Customer one session' rule.

1.104.5. EPOSS shall provide a cash tendered facility to calculate change due to the Customer. Use of this feature shall be at the discretion of the User and not forced by EPOSS.

1.105. Requirement 801 - POCL Applications - EPOSS: Product Styles

1.105.1. EPOSS shall support the current range of business performed within Outlets e.g.

a) Value Stock;

b) Method of Payment;

c) a counter shortage known as a "loss";

d) a counter overage known as a "gain";

e) a POCL Product;

f) an inpay supported by a Client voucher (receipt);

g) an outpay supported by a Client voucher (payment).

1.105.2. EPOSS shall support the Customer Transaction by price type as follows:

a) fixed price - where the price is held by EPOSS; or

b) variable price (open) - where the User enters the actual price. If the valid range excludes zero the User is forced to enter a non zero price; or

c) variable price (default) - where the default price is non zero. The User can either accept this price or overtype to change it within the valid range.

1.105.3. Where necessary Composite Products shall be declared at individual denomination or item level by the User as part of the Balancing activity.

1.106. Requirement 802 - POCL Applications - EPOSS: Value Stock Management

1.106.1. EPOSS shall maintain the current Stock record for Value Stock items and Methods of Payment to reflect the Transactions completed, e.g. if a postal order and the

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Associated Fee are sold for cash the Stock of the former is decreased and that of the cash is increased.

1.106.2. EPOSS shall allow compensatory corrections of errors to be made without the need to perform a Reversal or a sale.

1.107. Requirement 803 - POCL Applications - EPOSS: Data Resilience

1.107.1. EPOSS shall accurately maintain data and record all Transaction Sessions as double entries.

1.107.2. If EPOSS is interrupted or fails during a Customer Session the POCL Service Infrastructure shall ensure that data capture is resilient and consistent with the need to retain a balanced status.

1.108. Requirement 804 - POCL Applications - EPOSS: Transaction Log / Inspection

1.108.1. A journal of all Transaction data shall be available to allow the User to refer back to a previous Transaction.

1.108.2. EPOSS shall provide a Transaction log for any Balancing Period in the POCL Outlet Accounting Period to allow the User to refer back to a previous Transaction.

1.108.3. The Transaction log may be used in conjunction with a Transaction Reversal by the User to identify the unique Transaction Id.

1.108.4. The Transaction log shall be easily accessible to the User for the resolution of enquiries.

1.109. Requirement 805 - POCL Applications - EPOSS: Audit / Event Log and Inspection

1.109.1. EPOSS shall maintain a log of Transactions attempted and actioned at Stock Unit level.

1.109.2. EPOSS shall provide an audit/Event log for any Balancing Period in the current POCL Outlet Accounting Period by Stock Unit.

1.109.3. EPOSS shall provide a facility to allow the User to inspect activities on the Stock Unit within the POCL Outlet Accounting Period so that, without limitation all attempts to access a Stock Unit can be detected.

1.109.4. The audit/Event log shall be readily available to the User for the resolution of enquiries.

1.110. Requirement 806 - POCL Applications - EPOSS: Set Date and Time

1.110.1. The date and time within EPOSS shall be accurately maintained and remain in step with Greenwich Mean Time and/or British Summer Time as appropriate.

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1.111. Requirement 807 - POCL Applications - EPOSS: Transfers between Stock Units

1.111.1. EPOSS shall allow the movements of Value Stock Items and Methods of Payment into and out of Stock Units within the same Outlet to be recorded.

1.111.2. The data recording a movement shall be entered in a Transaction Session similar to a Customer Session except that the session total comes to the Transfer total rather than to zero. However, EPOSS shall adjust overall item Stock levels when the data entry session is complete so that the "balance" of the Stock Unit is maintained.

1.111.3. Each movement is entered to the current Balancing Period for the Stock Unit.

1.112. Requirement 808 - POCL Applications - EPOSS: Outlet Balance

1.112.1. EPOSS shall provide a facility to reconcile Non-value Stock Stock Items with unique serial numbers.

1.112.2. Reconciliation shall be by volume and by Stock Unit as:

a) number on hand at the start of the POCL Outlet Accounting Period (plus);

b) number received (equals);

c) number on hand at close of POCL Outlet Accounting Period (plus);

d) number issued/spoilt/returned.

1.112.3. EPOSS shall provide a Suspense Account facility where items that cannot be cleared operationally during one POCL Outlet Accounting Period can be identified and carried forward to the next.

1.112.4. EPOSS shall provide an on demand Outlet Balance Report to a POCL agreed format, this format shall be agreed by a date consistent with the Project Plan. This Report shall provide a "snap shot" of the Outlet position within the current POCL Outlet Accounting Period.

1.113. Requirement 809 - POCL Applications - EPOSS: Customer Session

1.113.1. Within a Customer Session EPOSS shall maintain:

a) a running record of all Transactions performed;

b) the current balance;

c) the accounting sense (pay out/take in);

d) settlement details.

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1.113.2. Multiple Transactions for the same Customer shall be logically grouped into a single Customer Session.

1.114. Requirement 810 - POCL Applications - EPOSS: Transaction Rules

1.114.1. EPOSS shall allow the Refund or Reversal of a Transaction according to Client and POCL accounting and business rules as agreed between the parties from time to time. EPOSS shall enable certain Transactions not to be refundable or reversible to comply with any changes to the Client and POCL accounting and business rules as agreed with POCL from time to time.

1.114.2. EPOSS shall be able to validate Transaction details against Reference Data.

1.114.3. EPOSS shall provide the ability to Rate Shop against a value input for a fixed price POCL Product.

1.115. Requirement 811 - POCL Applications - EPOSS: Data Transmission

1.115.1. EPOSS shall allow TMS to pass all recorded information to authorised remote locations (e.g. TIP).

1.115.2. EPOSS shall be flexible enough to support the introduction of new POCL Services for Clients in an integrated manner and ensure that any new POCL Product can be added, and that EPOSS is automatically updated.

1.116. Requirement 812 - POCL Applications - EPOSS: Transaction Reversal

1.116.1. EPOSS shall allow Reversals for Customer Transactions and Transfers either within the Outlet or to a remote location.

1.116.2. EPOSS shall allow Reversals to be entered for normal Transactions (but not for Reversals) as follows:

1.116.3. only for Customer Transactions which are not part of other POCL Services (e.g. APS, NBS) or disallowed in Reference Data supplied by POCL to the Contractor from time to time.

1.116.4. EPOSS shall permit Users to enter a Reversal which needs not correspond to a particular Transaction on the Transaction log identified by the User according to Client and POCL accounting and business rules as agreed between the parties from time to time.

1.117. Requirement 813 - POCL Applications - EPOSS: Revaluation of Value Stock

1.117.1. EPOSS shall allow revaluation of fixed price Value Stock Stock Items and Methods of Payment when the price changes.

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1.117.2. (Note: While price changes would not normally apply to Methods of Payment, it is a desirable feature in case of future alternative currencies, e.g. the "Euro". However, the remainder of this requirement is written in terms of Value Stock.)

1.117.3. When a price changes for a fixed price Value Stock Stock Item, the Stock value must change to maintain the relationship Stock value = Stock quantity x price. The change in Stock value must be "balanced" by one or more Transactions for designated POCL Products (and thence reported on designated Cash Account lines). Thus the requirement for maintaining an equal and opposite effect on the Stock Unit is maintained.

1.117.4. EPOSS shall allow efficient revaluation of multiple Value Stock Stock Items of the same generic type e.g. postal order fees.

1.117.5. EPOSS shall ensure that only Value Stock Stock Items allowed in Reference Data provided by POCL to the Contractor from time to time can be accessed.

1.118. Requirement 814 - POCL Applications - EPOSS: Enter Cash on Hand

1.118.1. EPOSS shall provide a function to record the value of cash held in the Stock Unit by denomination for two distinct purposes:

a) as part of the Cash Flow Reporting process;

b) as part of the Stock Unit Balancing process.

1.118.2. The dialogue to record the information screen may be common for both activities to avoid unnecessary duplication when Balancing.

1.118.3. The Cash Flow/Balancing reporting process aspect of EPOSS may be used at any time but is normally used daily as part of the end of day activity.

1.118.4. The EPOSS shall allow entry by cash value for each denomination and total value declared (EPOSS validating each field entry as numeric). The total entered is used in the Stock Unit Balance Report and the difference between this total and the EPOSS maintained figure for the cash Method of Payment Stock value generates a loss or gain.

1.118.5. The EPOSS maintained Stock value for the cash Method of Payment is not altered during the process. The User is advised of any discrepancy to warn of potential errors and (in Balancing) the implied balancing loss or gain.

1.118.6. A zero cash holding is declared by using the function in the normal way and confirming zero entries.

1.118.7. EPOSS shall allow the last known declaration to be carried forward for Cash Flow reporting purposes where no activity has occurred to change the last known cash position. This is required to cater for rest days including Outlets that shut on Saturdays etc.

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1.118.8. In Outlets that Team Work EPOSS shall allow cash declaration across all the Tills that contribute to the Stock Unit position.

1.119. Requirement 815 - POCL Applications - EPOSS: Process Dormant Stock Units

1.119.1. EPOSS shall allow a facility to bring unused Stock Units (and their Stock Unit information) forward into the next POCL Outlet Accounting Period.

1.119.2. An unused Stock Unit is one for which no activity has taken place since its most recent final Balance.

1.119.3. This facility may be used at any time to ensure that all Stock Units registered in an Outlet are recorded as fully up to date, prior to producing the Cash Account for that POCL Outlet Accounting Period.

1.119.4. The co-ordination of this activity is under the control of the Outlet Manager.

1.120. Requirement 816 - POCL Applications - EPOSS: Audit

1.120.1. A complete set of Outlet Records, for a rolling period of 18 months, shall be maintained as available for retrieval and review (but not amendment).

1.120.2. On retrieval all Records shall be packaged in weekly batches as a complete POCL Outlet Accounting Period cycle.

1.120.3. Outlets require record retrieval on demand for the previous two (2) complete POCL Outlet Accounting Periods. Older records shall be made available at 24 hours notice.

1.120.4. EPOSS shall support the recording of all Events and data entries including fallback and Recovery actions.

1.120.5. EPOSS requires entry of User identity and password to access the Service.

1.120.6. Each facility within EPOSS shall have an associated User authority level (clerk, supervisor, manager). EPOSS shall also provide reasonable safeguards against accidental or deliberate access by other than the normal means to Software or data.

1.120.7. Within an Outlet there shall be a facility to maintain and allocate a User access and privilege level log.

1.121. Requirement 817 - POCL Applications - EPOSS: Discounting

1.121.1. EPOSS shall allow discounting for all discountable POCL Products. A list of discountable POCL Products shall be maintained in Reference Data supplied by POCL.

1.121.2. EPOSS shall allow discount by an entered percentage for the last Transaction or for all discountable POCL Product Transactions in the Customer Session.

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1.121.3. EPOSS shall allow discount by an entered value for the last Transaction or for all discountable POCL Product Transactions in the Customer Session.

1.122. Requirement 818 - POCL Applications - EPOSS: Reference Data

1.122.1. EPOSS shall provide a facility to update Reference Data files with Reference Data supplied from the POCL Reference Data System. It shall be possible for a date and time stamp to be applied to Reference Data identifying when the change is to be activated, to facilitate timely price changing.

1.122.2. EPOSS shall allow the Reference Data content to be presented as a locally produced Report, with changes made in Reference Data by the most-recent update clearly identified. When an update to Reference Data is made, each affected local Outlet shall be warned by EPOSS at the start of the next POCL Core Day that a change has been made.

1.122.3. Reference Data to support local products will be controlled centrally in the same manner as for national products.

1.122.4. EPOSS shall allow each Outlet to produce various formatted outputs including but not limited to the Cash Account and the Cash Flow Report. Other reporting shall be agreed between the parties during the Operational Trial.

1.122.5. Changes to the internal reporting structure within current principles shall be possible by Reference Data rather than by Software update.

1.122.6. EPOSS shall support, through POCL Reference Data, the introduction and maintenance of a POCL Product in line with agreed Client requirements and POCL accounting practices.

1.122.7. EPOSS shall be a robust Service, including features to:

a) check internal consistency, reporting errors, warning of non critical errors and preventing critical errors;

b) refuse deletions if there is dependent business data which would lead to inconsistency of data within the POCL Service Infrastructure;

c) make Reference Data available at the counter terminals;

d) check Reference Data consistency and report exceptions.

1.123. Requirement 819 - POCL Applications - EPOSS: The Outlet Trial/Final Cash Account

1.123.1. EPOSS shall sustain a dynamic set of Cash Account tables that allows Outlets to introduce additional reporting lines as new products are introduced within POCL. More than one Cash Account format shall be supported and currently there are two in use (which shall both be supported) - standard Outlet format and CRU format. Validation rules could be applied to individual line entries.

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1.123.2. A Report shall be available in each Outlet that maps Reference Data of POCL Products to the appropriate line(s) of the Cash Account table(s).

1.123.3. EPOSS shall provide a facility to input Cash Account details including week end date and week number. Under certain authorised circumstances an authorised Outlet may produce one Cash Account to span a 2 or 3 week period and this must be managed by EPOSS. Within this variation there is a requirement to correctly associate the week number with a specific Transaction according to a Client's requirements. This is one of either:

a) the week in which the Transaction took place or;

b) the final week in which the Cash Account is produced.

1.123.4. EPOSS shall support the production of the Cash Account in printed and electronic formats. The printed Cash Accounts shall include a 2D bar code. The electronic Cash Accounts shall be transmitted to TIP.

1.123.5. EPOSS shall allow Users to produce trial Outlet Cash Accounts.

1.123.6. EPOSS shall provide a facility to move forward into the next POCL Outlet Accounting Period once a final Cash Account has been produced.

1.124. Requirement 820 - POCL Applications - EPOSS: Fallback and Recovery

1.124.1. EPOSS shall provide a means of controlling User access to its data, processes, and functions (see also requirement 816).

1.124.2. EPOSS shall include fallback procedures for situations where the User cannot use the POCL Service Infrastructure for any reason. These facilities shall maintain the integrity, security and levels of Customer Service consistent with the need to maintain trading.

For the avoidance of doubt, fallback procedures shall not be provided for NBS to allow local processing where connection to the NBE has failed.

1.124.3. EPOSS shall ensure that, following an Incident, or if operationally desirable for any other reason:

a) the User can return to a complete and recent position;

b) no corruption of secured data has occurred; and

c) a full Recovery can be effected swiftly and in an auditable manner.

1.124.4. EPOSS shall back up Stock Unit and Outlet data in order to support the ability to return to a recent known position for fallback and Recovery. Depending on the specific solution, there may be times within the Cash Account cycle (pre/post Cash Account roll over) when local control of back up is required.

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1.124.5. EPOSS shall allow Recovery of data to a known recent position. This includes both the Outlet and individual Stock Unit data where necessary to maintain integrity of the EPOSS. Recovery should not itself constitute a risk e.g. a one shot only option. Thus in the event of a power down / power interruption during a Recovery activity further Recovery attempts can be made later.

1.124.6. EPOSS shall ensure that the committal process for a Transaction is robust and consistent across all Transaction types so that an interruption does not result in an unrecoverable error.

1.124.7. EPOSS shall ensure that in the event of a failure of any part of the POCL Service Infrastructure, Recovery can be performed to a known position and with the minimum of disruption to the User. Data re-entry shall be minimal where previously committed Transactions have to be re-entered.

1.124.8. EPOSS shall warn the User where there is the possibility that data are corrupt.

1.125. Requirement 821 - POCL Applications - EPOSS: Business Rules

1.125.1. EPOSS shall be flexible enough to provide the ability to define the Transaction range available at specific Outlets, including:

a) preventing specific Transactions from being available locally (by Outlet);

b) declining to use specific non-mandatory Transactions locally (by Outlet);

c) modifying specific POCL Products, where allowed in Reference Data provided from time to time to the Contractor by POCL, for specific Outlets.

1.125.2. EPOSS shall be flexible enough to introduce new functionality as agreed with POCL.

1.125.3. EPOSS shall provide facilities to:

a) prepare EPOSS Transaction data and EPOSS processed data for export to; and

b) import data from other systems outside the POCL Service Infrastructure.

1.126. Requirement 822 - POCL Applications - EPOSS: Interface with Inventory Management

1.126.1. The POCL Service Infrastructure shall be designed such that it can interface into any POCL inventory management systems, and shall have sufficient capacity not to preclude such interfacing.

1.127. Requirement 823 - POCL Applications - EPOSS: Data Management

1.127.1. EPOSS shall make Transaction and process data captured through EPOSS available to any POCL Service delivered through the medium of the OPS and specified by POCL as requiring access to data.

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1.127.2. EPOSS shall ensure that, in the event of an Incident, data integrity is maintained and that no corruption of data is introduced arising from the interruption of any uncompleted activity.

1.128. Requirement 824 - POCL Applications - EPOSS: Weighing Scales

1.128.1. Where an Outlet has electronic scales connected to the OPS, EPOSS shall provide the price for a particular weight of package (provided by the scales), with the contention being handled by the scales accepting or denying a connection by a counter terminal.

1.128.2. The OPS shall request the scales only when needed and can only proceed with the scales associated POCL Service if the scales accepts its request. The OPS shall release the scales as soon as it has finished with them.

1.129. Requirement 825 - POCL Applications - EPOSS: Serve Customer (B)

1.129.1. EPOSS shall provide a function to record all sales.

1.129.2. EPOSS shall be event driven so that both data capture and the recording of POCL Services such as APS are dynamic.

1.129.3. All counter Transactions shall be associated with a Customer Session. Multiple Transactions for the same Customer shall be logically grouped into a single Customer Session.

1.129.4. Data shall be automatically recorded in EPOSS if captured during another POCL Service e.g. APS, OBCS or NBS.

1.129.5. Within a Customer Session EPOSS shall maintain:

a) a running record of all Transactions performed;

b) the current balance;

c) the accounting sense (pay out/take in);

d) settlement details.

1.129.6. EPOSS shall accept single or multiple Methods of Payment as settlement.

1.129.7. EPOSS shall provide the flexibility to allow the implementation of new Methods of Payment including EFTPOSS and debit cards.

1.129.8. EPOSS shall allow a Customer Session to be suspended and then recalled for completion later. In between the User shall be able to continue to enter and complete further sessions as required. A Customer Session cannot and shall not be suspended at a Counter whilst a Banking Transaction is in progress.

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1.129.9. EPOSS shall provide a Void Transaction facility. EPOSS shall enable the use of this facility for certain Transactions to be prohibited according to defined Client and POCL accounting and business rules.

1.129.10. EPOSS shall allow the Refund or Reversal of a Transaction with access maintained at User level. Note that certain Transactions shall not be refundable or reversible to comply with Client and POCL accounting and business rules.

1.129.11. Some POCL Products are linked and shall remain so within a Transaction, including for Refund/Reversal or voiding purposes, for example a postal order of £1.00 has, currently, an Associated Fee of 25 pence. As part of this linkage, certain Stock Items with no current price shall be re-classified as Value Stock Stock Items e.g. tax discs.

1.129.12. EPOSS shall have the facility to accept data, via the POCL Service Infrastructure, from a variety of media such as, Tokens, keyboard, electronic scales, bar codes and to add functionality to accept data from other approved peripheral devices.

1.129.13. EPOSS shall allow the input of weight values where scales are not linked.

1.129.14. EPOSS shall be flexible enough to support the introduction of new POCL Services for Clients in an integrated manner and thereby ensure that any new POCL Product is event driven and that EPOSS is automatically updated.

1.130. Requirement 826 - POCL Service Infrastructure - OPS: Future Flexibility for Sharing of Specialist Peripherals

1.130.1. OPS, and the elements of the POCL Service Infrastructure on which OPS is provided, shall be able to be connected, and shall support such connection, to specialist peripherals in such a way that the specialist peripherals may be accessed by one, two or more terminals. This capability shall not be applicable to PIN Pads.

1.130.2. In such a case it shall be possible to restrict access to a subset of the terminals in each Outlet.

1.131. Requirement 827 - POCL Service Infrastructure - OPS: Ability to Maintain Authorisation Data

1.131.1. It is likely that, in due course, re-engineered POCL Products shall require specific authorisation, either through access to a computer system external to the POCL Services or within the POCL Services.

1.131.2. The POCL Services and the POCL Service Infrastructure shall be able to be developed to support the maintenance and use of:

a) stop lists;

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b) go lists;

c) other authorisation types;

in relation to such POCL Products.

1.131.3. The POCL Services and the POCL Service Infrastructure shall support such authorisations through access to external computer systems.

1.132. Requirement 828 - General - Security: Data Security

1.132.1. The confidentiality, integrity, validity and completeness of data shall be maintained throughout all storage, processes and transmissions, including during periods of Service Failure and recovery from Service Failure.

1.133. Requirement 829 - General - Security: Prosecution support

1.133.1. The Contractor shall comply with all prosecution support obligations specified in Schedule A02

1.134. Requirement 830 - General - Security: Contingency Plans

1.134.1. The Contractor shall ensure that all POCL Services are supported by contingency plans including fallback Transactions that minimise or negate the impact of failure in any of the POCL Services. There shall be no fallback Transactions for NBS. As specified in the N Schedules there shall be a process for recovery of incomplete transactions in the event of counter failure.

1.134.2. The Contractor shall ensure that the contingency plans for each POCL Service are compatible with an overall service continuity framework.

1.134.3. The contingency plans shall be based on impact and risk assessments and agreed between the Contractor and POCL by a date consistent with the Project Plan.

1.134.4. Ownership of all contingency actions shall be identified in the contingency plans.

1.134.5. The contingency plans shall include activation procedures and time periods within which the contingency measures shall be activated.

1.134.6. The contingency plans shall include a testing strategy with three distinct parts:

a) Initial testing before commencement of Roll Out of Existing Services;

b) Initial testing of NBS prior to live operation of NBS as set out in Schedule N09.

c) Regular testing

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1.134.7. The contingency plans shall include without limitation the following:

a) prevention measures;

b) preparedness measures;

c) contingency measures;

d) Recovery of normal service;

e) contact lists.

1.134.8. The contingency plans, the scheduling of regular tests and the review of such tests shall be subject to joint periodic review by the Contractor and POCL during a quarterly Service Management Review meeting or separately as the result of an action agreed at one of the quarterly Service Management Review meetings.

1.134.9. When contingency operation is invoked as a result of a fault of the POCL Services provided by the Contractor, then the provisions of Schedules E08, F08, G10, H08, K08 and N08 shall continue to apply.

1.135. Requirement 831 - End to End Service - POCL Interfaces

1.135.1. The Contractor shall support the interfaces between (i) the services that run POCL systems and (ii) the POCL Services and the POCL Service Infrastructure Service, as such interfaces are defined in the POCL Interfaces documentation maintained by POCL. These shall include:

a) interfaces from TMS and Outlets to Transaction Information Processing (TIP);

b) interfaces between the POCL operated service that runs the POCL Reference Data System and the POCL Services;

c) interfaces between Outlets, TMS and Clients;

d) TIP / TMS interface for authorisation data:

- provide the capability for reconciliation between POCL and its Clients by ensuring TIP receives a copy of all original authorisation data via TMS as specified on an individual Client basis by POCL;

e) interface between POCL SAPADS and TMS;

f) Interface between POCL Service Infrastructure and NBE.

1.135.2. The POCL Interfaces documentation shall cover: data content in logical groupings, physical layouts, controls (including security), timings, volumes, technical interface specifications (initially options and constraints), configuration management, and contingency arrangements. Versions of the POCL Interfaces documentation containing the then existing interfaces shall be made available to the Contractor within three (3) months after 15th May, 1996.

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1.135.3. The POCL Interfaces documentation shall not initially cover further potential interfaces in respect of:

a) EFTPOS;

b) reconciliation and exception reporting;

c) operational management information;

d) performance monitoring;

e) inspection of Transaction and Event logs for audit and security purposes;

f) [not used];

g) transitional arrangements in relation to 'cash account processing'.

1.135.4. The format of each interface shall be specified in a Contract Controlled Document. Such specifications for interfaces added from time to time shall be introduced through the Change Control Procedure.

1.136. Requirement 832 - POCL Applications - EPOSS: Business Processes

1.136.1. The Contractor shall agree with POCL, before commencement of Roll Out of EPOSS, the overall business processes at the counter such that:

a) the capture of data at the Outlet is complete, accurate and robust e.g. a unique Transaction reference;

b) any transfer of data is secure, complete, accurate and robust;

c) whether operating normally or in stand-alone mode the EPOSS shall be capable of validating Transactions by format and value;

d) in the event of fraud it shall be possible to prove that the POCL Service was operating without defect (see Requirement 829); for appropriate Transactions receipts are automatically generated for Customers and a copy retained in the Outlet to allow recovery or problem resolution;

e) accountability for cash, Stock and any supporting documentation is maintained by Outlet and User where appropriate;

f) the Method of Payment is recorded at the point of sale;

g) the access control system allows segregation of responsibilities. A log of Users and the functions to which they have access shall be available to Outlet managers;

h) a back up of all Transactions shall be taken each day;

i) User and device are uniquely identified within each Outlet;

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j) data shall undergo a balancing procedure to enable a final review and authorisation;

k) Transaction data shall be made available to other services as agreed in each AP Client Specification and the "Pathway to TIP Application Interface Specification", and other POCL Services;

l) Transaction data not delivered in accordance with the above shall be clearly identifiable;

m) all Transactions can be reconciled to an appropriate supporting voucher and where necessary these vouchers are to be available for central validation of amounts collected;

n) an up to date record of cash and Value Stock on hand shall be maintained and current balances can be reported;

o) all transfers of Stock and cash to and from other Outlets and between Users within an Outlet shall be clearly recorded;

p) all specified summaries shall be produced automatically when required and all Transactions shall be included since the last summary was completed;

q) items posted to Suspense Accounts can be identified for future investigation;

r) information to show compliance with the relevant legislation, including without limitation Health and Safety at Work Act, Data Protection Act, Companies Act is available;

s) an Outlet shall be able to continue operating and to maintain an audit trail in the event of any failure of the POCL Service Infrastructure.

1.137. Requirement 833 - POCL Applications - EPOSS: Training Mode

1.137.1. EPOSS shall provide a training mode to allow familiarisation with the package and shall operate in such a way as to preclude any corruption of live data.

1.138. Requirement 834 - POCL Applications - EPOSS: Transitional / Contingency Arrangements

1.138.1. The Contractor shall ensure that contingency arrangements are available for all Outlets both during and after Roll Out of EPOSS to such Outlets.

1.138.2. [not used]

1.138.3. To provide contingency cover during and after Roll Out, EPOSS shall enable each automated Outlet to produce plain paper summaries to a format which shall be agreed by a date consistent with the Project Plan.

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1.138.4. The element of the POCL Service Infrastructure at every Outlet shall be capable of printing a 2 dimensional bar-code on any plain paper summary.

1.139. Requirement 835 - POCL Applications - EPOSS: EPOSS Related

1.139.1. Benefits encashment and other Automated Transactions shall be integrated with the Transaction recording elements of EPOSS such that:

a) there is no necessity to separately notify the EPOSS of the Transaction;

b) there is a single Transaction Record created and stored locally to provide the basis for Outlet summarisation and Balancing and Transaction level data transfer;

c) Transaction Records created and stored locally shall be entirely consistent with any data transferred at the time of the Transaction to other systems outside the POCL Service Infrastructure;

d) Transaction times are kept to a minimum.

1.139.2. EPOSS shall be capable of providing summaries of any type of Transaction for comparison with physical Records contained within the Outlet. For example EPOSS shall be able to:

a) summarise the quantity of tax discs on hand;

b) summarise the quantity of milk Tokens on hand;

c) list and total cheques accepted by value;

1.139.3. As Transactions become automated the relevant summaries shall be enhanced to include details of items issued/on hand, by individual serial number.

1.140. Requirement 836 - POCL Applications - EPOSS: Service Development

1.140.1. PostShops are currently equipped with an EPOS terminal - CRISP (Counters Retail Information Systems in PostShops) - which is a stand alone system. It is desirable, subject to offered solutions, that these be integrated into or replaced by the EPOSS.

1.140.2. Where an Agent may in future use the OPS for his own business, all POCL Services using the OPS shall identify such Transactions separately from those relating to POCL Services under the Codified Agreement, in particular for financial accounting.

1.140.3. For each Transaction processed at a Counter Position through the POCL Service Infrastructure the following information shall be captured:

a) value of each Transaction;

b) volumes of Transactions;

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c) a unique code for each POCL Product across all Clients (e.g. breakdown by denomination of Royal Mail stamps sold);

d) source (e.g. Outlet, User and Till identification);

e) Client reference and Client scheme or product reference for each Transaction;

f) Customer identification and details (e.g. for Transactions involving cheques, passports, motor tax discs);

g) Method of Payment;

h) date and time of the Transaction.

1.140.4. The OPS shall be flexible to support further Services. The Contractor shall be willing to integrate and operate these under the Change Control Procedure, provided that there are no valid technical reasons that preclude their inclusion.

1.141. Requirement 837 - POCL Applications - EPOSS: Reporting

1.141.1. EPOSS shall support the production of a variety of Reports in pre-defined formats including:

a) Transaction level Reports by Stock Unit for Clients using pre-printed cut sheets (Client stationery);

b) Transaction level Reports by Stock Unit for Clients printed on plain paper;

c) Reports on the current level of Value Stock Stock Items at Stock Item level;

d) Reports on Transaction volumes and values;

e) Cash Account Reports;

f) reconciliation Reports for Non-value Stock Stock Items e.g. milk Tokens, tax discs;

g) Reports on Transfers of cash and Value Stock;

h) ad hoc Reports for management information purposes.

1.141.2. EPOSS shall be able to deliver Reports at the User's discretion, subject to POCL and Client rules on frequency of despatch and POCL Outlet Accounting Periods. Client Reports shall be produced on a daily or weekly basis. Where operationally appropriate, several weekly Reports shall be produced during a POCL Outlet Accounting Period.

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1.142. Requirement 838 - POCL Applications - EPOSS: General

1.142.1. EPOSS shall have the facility to allow input of Transaction related data after the event for items required for management information purposes (e.g. for Clients, Agents pay) which may not impact on the Outlet Balance e.g. non-Value Stock Stock Items, value recorded for information only.

1.142.2. EPOSS shall also support the input of data for local schemes where the value is not recorded for accounting purposes but the volume is.

1.143. Requirement 839 - POCL Applications - EPOSS: Retail Functionality

1.143.1. EPOSS shall provide the point of sale retail functionality in use in PostShops. This includes, but is not restricted to:

a) Till functionality;

b) discounting;

c) coupon management;

d) multibuys;

e) promotions;

f) marketing;

g) reporting.

1.144. Requirement 869 - POCL Service Infrastructure - Service Levels: Transaction Management System (TMS)

1.144.1. POCL is not concerned with the performance of individual elements of the POCL Services per se. The primary concern is with the overall performance of the POCL Services as they impact upon POCL'S own systems, Clients, staff, Agents and Customers. Therefore, targets for the level of internal performance between POCL Services shall not be set by POCL. However internal POCL Service performance shall be judged by POCL as it affects overall performance of the POCL Services.

1.144.2. By the end of the Operational Trial Period, the Contractor shall specify the boundary performance characteristics of TMS (which shall for these purposes include APS, EPOSS, OPS, SMS, and OBCS).

1.144.3. For the avoidance of doubt, POCL shall be entitled to test the ability of the Contractor to provide such boundary performance information as part of Acceptance Testing. The Contractor shall enable POCL to perform such testing by a date agreed between the parties, but in no event later than 9 (nine) months after commencement of national Rollout.

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1.144.4. For the TMS the Contractor shall specify the performance requirements and tolerances by a date consistent with the Project Plan for:

a) hours of operation of TMS;

b) response time required between TMS and OPS;

c) the number of outages of TMS, identifying types of outages monitored;

d) the availability of TMS.

1.144.5. The Contractor shall report against all performance requirements identified in the paragraph above.

1.144.6. The Contractor shall maintain detailed technical documentation of the interfaces from TMS to OPS and all attachable elements of the POCL Service Infrastructure. Any proposed changes to any interface to TMS shall be subject to approval by POCL in accordance with Change Control Procedure, with updates to the technical documentation being provided within 10 POCL Core Days after the change has been implemented.

1.145. Requirement 870 - POCL Applications - EPOSS: Transaction Times

1.145.1. EPOSS shall not slow down the activity of serving Customers and as such EPOSS shall be designed to minimise the number of key depressions (or other interaction with peripheral devices) involved in each Transaction. In all cases the response of EPOSS to any peripheral input shall be instantaneous.

1.145.2. Summarisation and balancing activities, including processing and printing, shall be optimised and avoid re-processing when data are changed during accounting.

1.145.3. The Contractor shall conduct performance benchmark tests against each of the different transaction types stated in the Schedule F08 of the Codified Agreement and identify their performance characteristics. The performance benchmark process is defined in document CS/PRP/001, Counter Transaction Performance Measurement and Benchmarking.

1.145.4. Actual transaction performance will be reported each month in the document CS/PER/013, Service Review Performance Statistics, and shall be subject to joint review by the Contractor and POCL during the monthly and quarterly Service Management Review meetings.

1.145.5. For each Outlet where the overall Transaction times are more than 10% greater than the average, the Contractor shall discuss with POCL the root cause of the performance difference at the monthly and quarterly Service Management Review meetings. The meeting shall jointly determine what, if any, action shall be taken, and in what time-scales, in order to bring the Outlet's performance back into acceptable bounds.

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1.146. Requirement 871 - POCL Applications - EPOSS: General Service Levels

1.146.1. EPOSS shall be implemented such that the version of any Reference Data being referenced from Outlets has been updated with the latest version of Reference Data. The version of the Reference Data is fully updated once all updates have been applied.

The Service Levels for these are defined in Schedule G10.

1.146.2. Transaction data shall be forwarded to POCL central systems (e.g. TIP) soon after the completion of the POCL Core Day on which the Transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission shall be included in a subsequent transmission.

Data which are included in the first batch transmission to take place after the time of the Transaction are deemed to be in the first batch transmission and so on.

The Service Levels for these are defined in schedule G10.

1.146.3. Batch transmission times shall be agreed for each POCL central system in Schedule G10.

1.147. Requirement 880 - POCL Applications: Specification of Transaction Data from Outlet to TIP

1.147.1. Transaction data from the Outlet to TIP (via TMS) shall be as specified by POCL. (See Requirement 831.)

1.148. Requirement 890 - POCL Applications - APS: Reconciliation

1.148.1. The APS shall ensure and demonstrate that all committed Transactions have successfully passed from the Outlets to POCL and/or Clients.

1.148.2. The APS shall ensure there is at least one point in the day when all Transactions to be sent to a Client are in step with those to be sent to POCL.

1.149. Requirement 891 - End to End Service - Reconciliation Requirements

1. GENERAL REQUIREMENTS

1.149.1. The Contractor shall ensure that all captured data are complete and accurately reflected in the appropriate outward interfaces:

a) this applies to Transaction data of all types and modes (including normal working, fall-back and Recovery, and to normal usage, amendment, reversal, and so forth) and to Stock and cash levels; and

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b) this applies to Reference Data changes, both local and as received from POCL as follows:

- from ESNCS for OBCS stop lists;
- otherwise from the POCL Reference Data System except for any specific transient arrangements;

c) this applies equally at all levels and across POCL Service components.

1.149.2. The Contractor shall synchronise data flows and storage, and shall:

a) monitor data transfers and account for data brought forward, received, passed on and carried forward;

b) monitor data transfers and account for data, across POCL Service interfaces and POCL Service components;

c) where a single datastream is "switched" to more than one recipient:

- reconcile any timing differences between transfers;
- account for any differences in processing or accounting cycles of the recipients of related flows; and
- provide information to each recipient to enable them to reconcile with the other recipients of related data.

1.149.3. The Contractor shall ensure that data are consistent between the levels where Transaction or Stock and cash level data are held, maintained or transferred at more than one level.

1.149.4. The Contractor shall perform daily operational cut-over reconciliations for any on-line interfaces with external systems.

1.149.5. The Contractor shall report reconciliation results to POCL, including any discrepancies and any doubtful items, and report progress on resolution of outstanding items in relation to:

a) interfaces between POCL Service components and POCL'S systems:

b) external interfaces between POCL and Clients (to enable them to maintain their commercial relationships);

c) interfaces between POCL Service components.

1.149.6. The Contractor shall apply appropriate integrity controls at all interfaces and provide information demonstrating integrity. For interfaces that are already in place integrity controls shall be as specified in the document titled POCL Interface Requirements For BA/POCL System, version 1.6, dated 16 April 1996. For new interfaces such integrity controls shall be agreed through a process which is defined in the documents

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Business Requirements Definition (reference PA/STD/003) and New Service Introduction (reference PA/PRO/007).

1.149.7. The Contractor shall control the implementation of configuration changes, including changes to Reference Data, including:

a) checking and reporting the implementation of changes against instruction;

b) maintaining the integrity of other reconciliation processes across configuration changes;

1.149.8. The Contractor shall meet all reconciliation requirements in contingency situations as well as normal working.

1.149.9. Service Levels for all reconciliation requirements are as follows:

a) full reconciliation with 100% of items demonstrably accounted for;

b) provision of the ability to reconcile by agreed processes at detailed level, including without limitation at Transaction level for Transaction data;

c) any differences, doubtful items or errors to be resolved by the Contractor;

d) reconciliation reports and identification of doubtful items and errors to be delivered to POCL by 9 a.m. of the following day;

e) the Contractor shall make all reasonable endeavours to resolve any doubtful items and errors promptly.

2. POST OFFICE OUTLET RECONCILIATION REQUIREMENTS

1.149.10. Stock and cash levels shall be reconciled with Transaction data:

a) by Customer Session, at Outlet level; and

b) where Outlets are so organised, by Stock Unit.

1.149.11. Outlet accounting information shall reconcile, taking account of Stock and cash brought forward, carried forward, Transaction data and local suspense items (as defined in the EPOSS requirements). This shall also be sustained in fall-back and during Recovery after any Service Failure.

1.149.12. The requirements in this section (2) shall be satisfied instantly.

3. TMS RECONCILIATION REQUIREMENTS

1.149.13. The Contractor shall provide operational control reports on operations, including polling and any loss of communications with Outlets or with other POCL Service components. In particular these reports shall include a daily report of Outlets which have not been polled.

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1.149.14. The Contractor shall apply controls on file and data transfers at all technical levels and, using relevant counts and financial totals, at business levels.

1.149.15. The Contractor shall ensure that information provided to POCL via TIP makes explicit what Transaction data have been sent to Clients.

For the avoidance of doubt, for NBS this requirement shall be met by the reports set out in Network Banking End to End Reconciliation Reporting (CS/SPE/011).

4. COMMERCIAL RECONCILIATION REQUIREMENTS

1.149.16. The Contractor shall provide information to enable reconciliation of POCL Services with Charges.

1.149.17. The Contractor shall act, and be seen to be acting, on behalf of POCL in reconciliations with other parties, and provide the necessary information for POCL to exert appropriate management control over operations performed on their behalf. The Contractor shall ensure in so doing that the commercial relationships between POCL and third parties are not compromised.

1.150. Requirement 894 - General - Management Information Requirement

1.150.1. The Contractor shall provide management information to POCL to enable it to manage the Codified Agreement, and POCL Services as well as to support POCL's general business requirements.

1. The Contractor shall provide information POCL requires to manage the Codified Agreement and the POCL Services as agreed by POCL and the Contractor by a date consistent with the Project Plan.

2. POCL may request and if so, shall receive during the term of the Codified Agreement, and after, any information it believes it requires to manage its business, the Codified Agreement, any POCL Service, and also to facilitate re-letting and hand-over of such Agreement and POCL Services.

3. The Contractor shall provide data to enable resource, network, productivity and cash management. A process for reviewing the type of Management Information data to be provided shall be agreed by a date consistent with the Project Plan.

4. The Contractor shall provide data to enable marketing planning by POCL. A process for reviewing the type of Management Information data to be provided shall be agreed by a date consistent with the Project Plan.

1.150.2. These data shall include without limitation:

a) Outlet, User and Stock Unit registration / deletion and mutual association;

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b) log-on / off;

c) completion of summaries and returns / reports, roll-over to new Balances and / or POCL Outlet Accounting Periods;

d) polling events;

e) receipt / implementation of new issues of Software, Reference Data, local Reference Data updates;

f) POCL Service Infrastructure failure / repair / replacement, down-time, Recovery time, file corruption etc.;

g) information to enable POCL to monitor / manage Service Levels;

h) exception reports.

1.150.3. The Contractor shall provide MIS captured by Outlet, Outlet type, region and any other organisational structure specified from time to time by POCL.

1.151. Requirement 895 - General - Security: Irregular Encashment Patterns

1.151.1. The POCL Service Architecture shall be capable of monitoring irregular encashments and reporting on them. Information shall be shared with POCL Audit / Security / Operations when it relates to a post office in relation to the following.

- Daily reports of Transactions at a non-live Outlet i.e. one reported to the Contractor as temporarily out of commission.

1.152. Requirement 896 - POCL Implementation- Documentation: Access to Documentation by Electronic Means

1.152.1. The POCL Service Infrastructure shall be able to support electronic communications for access to User documentation. The feature shall not be essential for initial implementation, and its later implementation shall be subject to the mutual agreement of POCL and the Contractor.

1.153. Requirement 898 - Order Book Control Service (OBCS) - General Requirements

1.153.1. [not used].

1.153.2. It shall be possible for POCL to obtain OBCS in nominated Outlets, at POCL's discretion, to be available when the POCL Service Infrastructure rolls out.

1.153.3. OBCS shall be implemented using TMS and OPS.

1.153.4. The implementation of OBCS shall comply with the Horizon OPS Style Guide.

1.153.5. Help Desk support shall be available to all Users of OBCS.

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1.153.6. OBCS shall be available at every Counter Position in any automated Outlet at which OBCS is required during the normal opening hours of that Outlet.

1.154. Requirement 899 - OBCS - Stop List Maintenance

1.154.1. [not used].

1.154.2. The Contractor shall maintain a stop list recording details of order books which have been stopped, and against which no further payments are to be made, and order books which have been recalled. In the case of recalled order books, orders may be paid for a number of days following receipt of the recall. OBCS shall calculate the recall date in accordance with the *OBCS Business Processing Rules*.

1.154.3. The Contractor shall initiate a communications link between the DSS computer and the TMS 7 nights each week and shall transfer a Data File containing stop list updates. The stop list updates shall include entries that are to be added and reference to those that are to be deleted. Notices not deleted by DSS shall be removed after an appropriate period.

1.154.4. Stop list update files shall be applied in the order defined in the stop list interface document.

1.154.5. The maximum size of the stop list shall be 1.5 million entries.

1.154.6. The maximum size of a stop list update shall normally be 100,000 entries. In the event that an update of greater size is needed special arrangements shall be made.

1.154.7. The minimum size of a stop list update shall be 0 (zero) entries; in this case a file with an appropriate header and footer shall be sent.

1.154.8. Details of the stop list update interface with DSS computer system shall be made available by POCL by a date consistent with the Project Plan.

1.155. Requirement 900 - OBCS - Order Book Processing: Bar-Coded Order Books

1.155.1. [not used].

1.155.2. OBCS shall provide a facility for dealing with bar-coded order books presented for encashment of benefits at automated Outlets requiring OBCS.

1.155.3. The bar-code shall be scanned, validated and checked against the stop list:

a) when the order book is received at the Outlet;

b) when the order book is handed over to an Authorised Person;

c) when the order book is presented for payment.

1.155.4. Whenever the bar-code on an order book is scanned OBCS shall provide both a visual and an audible indication of the result of the scan. There shall be a clear

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difference between the audible indication given for 'success or normal' and 'failure or exception'. There shall be a clear distinction between the instructions to 'impound' and 'cash and impound'.

1.155.5. When an order book is received at the Outlet from the Issuing Authority, OBCS shall prompt the Counter Clerk to scan the bar-code, and OBCS shall check it against the stop list. The electronic record of the Transaction shall be transmitted to the DSS computer system within a Data File.

a) If the order book is on the stop list then OBCS shall instruct the Counter Clerk to impound, hole punch the order book and return it to DSS.

b) OBCS shall be capable of recording the re-direction of the order book to another Outlet or its return to DSS.

c) If there are three consecutive failures to read the bar-code OBCS shall prompt the Counter Clerk to enter the bar-code information via the keyboard. Subsequently OBCS shall instruct the Counter Clerk to hole punch the order book and return it to DSS. OBCS shall record the order book as unreadable.

d) The maximum number of order books received in an Outlet on a POCL Core Day is expected to be approximately 600.

1.155.6. When an order book is being issued to the Authorised Person, OBCS shall prompt the Counter Clerk to scan the bar-code and OBCS shall check it against the stop list. The electronic record of the Transaction shall be transmitted to the DSS computer system within a Data File. The rules for making payments and order book retention are as for encashments below.

a) The maximum number of order books issued at any one Outlet in a POCL Core Day is expected to be approximately 100, but it should be borne in mind that there will be an uneven distribution across days, with peaks expected on Mondays, Tuesdays and Thursdays.

1.155.7. When an encashment is made against the order book OBCS shall prompt the Counter Clerk to scan the bar-code and OBCS shall check it against the stop list. Details of the Transaction shall be transmitted to the DSS computer system within a Data File.

a) When OBCS identifies a bar-code as not conforming with the specification agreed with POCL, OBCS shall instruct the Counter Clerk to impound the order book without payment. The Transaction shall be recorded by OBCS. This transaction shall be recorded in the summary of non-bar-coded order books.

b) If the order book is not on the stop list then OBCS shall instruct the Counter Clerk to pay normally and prompt for the number of vouchers encashed. A default number of one shall be presented with the Counter Clerk having the ability to override this.

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c) If the order book has been recalled then OBCS shall instruct the Counter Clerk to pay up to a specified date and prompt for the number of vouchers encashed. A default number of one should be presented with the Counter Clerk having the ability to override this with a valid number, including zero. OBCS shall instruct the Counter Clerk to retain the order book, hole punch it, and return it to DSS.

d) If the order book has been stopped OBCS shall instruct the Counter Clerk to make no payment and impound the order book, hole punch it and return it to DSS. The Counter Clerk shall not be allowed to void or otherwise cancel such a Transaction.

e) If there are three consecutive failures to read the bar-code, OBCS shall prompt the Counter Clerk to enter the bar-code information via the keyboard. If the order book is on the stop list for impounding then this takes precedence, otherwise OBCS shall instruct the Counter Clerk to pay one voucher and then hole punch the order book and return it to DSS. OBCS shall record the order book as unreadable. The Counter Clerk shall not be allowed to void or otherwise cancel such a Transaction.

1.155.8. Details of the interface with the DSS computer system for receiving Transaction records noted above shall be made available by the DSS by a date consistent with the Project Plan.

1.156. Requirement 901 - OBCS - Order Book Processing: Non-Bar-Coded Books

1.156.1. [not used].

1.156.2. When an order book with no bar-code is presented for encashment OBCS shall prompt the Counter Clerk to enter the number of vouchers to be encashed. A default number of one shall be presented with the Counter Clerk having the ability to override this.

1.156.3. For each Outlet for each POCL Core Day a single electronic record giving the total number of vouchers encashed shall be transmitted to the DSS computer system within a Data File.

1.156.4. Details of the interface with the DSS computer system for receiving voucher totals records noted above shall be made available by POCL.

1.157. Requirement 902 - OBCS - Transaction Times

1.157.1. [not used].

1.157.2. The following Transaction times shall be achieved using OBCS with a fully populated stop list:

a) logging the receipt of an order book, measured as the time from any point in the cycle for one order book to the same point in the cycle for the next order book , shall not take more than one (1) second longer than without OBCS;

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b) in issuing an order book to an Authorised Person, the checking against the stop list using OBCS shall not add more than five (5) seconds to the time that would have been taken with no manual stop list;

in making an encashment OBCS Transactions shall not exceed transaction times as per Schedule H08.

1.158. Requirement 903 - OBCS - General Service Levels

1.158.1. The stop list functionality shall be implemented so that the version of the stop list being referenced from Outlets has been updated with the stop list updates from the DSS computer. The version of the stop list is fully updated once all updates received have been applied. If one day's worth of updates have not been applied then the version is deemed one day behind and so on.

On any POCL Core Day:

a) 97 % of Outlets shall be referencing a version which is fully updated;

b) 99% of Outlets shall be referencing a stop list which is no more than one day behind;

c) 100% of Outlets shall be referencing a stop list which is no more than two days behind.

1.158.2. Transaction data shall be forwarded to the DSS computer system soon after the completion of the POCL Core Day on which the Transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission shall be include in a subsequent transmission.

Data which are included in the first batch transmission to take place after the time of the Transaction are deemed to be in the first batch transmission and so on.

Transaction data from the Outlets shall reach the DSS computer system as follows:

a) the data from 97% of Outlets shall reach DSS within the first batch transmission;

b) the data from 99% of Outlets shall reach DSS within the second batch transmissions;

c) the data from 100% of Outlets shall reach DSS within the third batch transmissions.

1.159. Requirement 905 - POCL Implementation - User Support for Transaction Accuracy

1.159.1. The POCL Service Infrastructure shall be designed in order to, and shall, give the User support in maintaining Transaction accuracy and in order to assist the transfer of accurate POCL Product information to Customers.

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1.160. Requirement 906 - POCL Implementation - Roll Out:

1.160.1. Outlets shall be provided with new terminals on the day of installation of the POCL Service Infrastructure in respect of Roll Out. Installation covers physical placement, connection to the POCL Service Infrastructure and testing.

1.161. Requirement 911 - End to End Service - Integrity Across Changes

1.161.1. The POCL Services shall maintain accounting and reporting integrity in the POCL Services and POCL Service Infrastructure, including any changes under the Change Control Procedure.

1.161.2. Such integrity shall cover implementation of changes, reverting to previous states (should this prove necessary, for example in fall-back and Recovery), co-existing before and after states (e.g. if simultaneous implementation does not occur) and reporting across change boundaries (e.g. using appropriate Reference Data versions for each part of a report).

1.162. Requirement 912 - POCL Service Infrastructure - SMS: Portable Appliance Testing

1.162.1. The Contractor shall carry out any regular portable appliance testing of elements of the POCL Service Infrastructure installed as part of the POCL Services in Outlets and on any other POCL Premises as required by legislation.

1.163. Requirement 913 - Implementation - Service Level Agreement: POCL User Documentation

1. INTRODUCTION

1.163.1. The Contractor shall provide to POCL PPDs containing information necessary for the preparation by POCL of comprehensive User documentation for all Users of the POCL Service Infrastructure and others, as notified by POCL.

2. AVAILABILITY

2.1. Users of the POCL Service Infrastructure

1.163.2. User documentation shall be available to all Users of the POCL Service Infrastructure 100% of the time that the POCL Service Infrastructure is in use.

2.2. Other Users

1.163.3. User documentation shall also be available to others, (such as helpline operators, non serving staff in retail Outlets, Retail Network Managers etc.) 100% of the time that the POCL Service Infrastructure is in use.

2.3. Contingency/disaster Recovery arrangements

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1.163.4. User documentation which contains information to Users on contingency / disaster Recovery arrangements, such as what to do during a Service Failure, shall be available to all Users during all hours of business.

3. CONTENT OF USER DOCUMENTATION

1.163.5. User documentation shall contain all information which a User of the documentation requires to complete all business Transactions at POCL Premises. This includes topics such as:

a) performing counter Transactions;

b) accounting;

c) balancing, including Value Stock taking;

d) Stock ordering;

e) Stock acceptance, disposal, destruction, remitting etc.;

f) contingency arrangements e.g. for Service Failure;

g) giving information to Customers e.g. how to obtain a duplicate Motor Vehicle Licence disc;

h) information for specific POCL Products e.g. posting restrictions;

i) performing business Transactions at Remittance Units e.g. Girobank deposits.

4. ACCURACY OF INFORMATION

1.163.6. All information in User documentation shall be accurate.

5. DESIGN OF USER DOCUMENTATION

5.1. Visual identity

1.163.7. All User documentation shall conform to Design Standards Volume 1: Identity System [POCL Visual Identity Design Applications Guideline].

5.2. Communications policy

1.163.8. All User documentation shall conform to POCL's communications policy, which is covered in the document 'A Guide to Head Office Communications Team'.

5.3. Environmental policy

1.163.9. All User documentation shall conform to POCL's Environmental policy.

6. USER DOCUMENTATION FOR A NEW PRODUCT/SERVICE

6.1. Notification of requirement by POCL

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1.163.10. POCL shall advise the Contractor of the requirement for User documentation for a new Product/Service a number of days before the implementation of that new Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.2. Drafting of User documentation

1.163.11. The final copy of User documentation for a new Product/Service shall be completed a number of days before the implementation of that particular Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.3. Final approval by POCL

1.163.12. All User documentation for a new Product/Service will be subject to final approval by POCL which shall, if appropriate, be given a number of days before the implementation of that particular Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.4. Availability

1.163.13. User documentation which contains the details of a new Product/Service shall be available to all Users of the documentation immediately prior to implementation of the new Product/Service.

7. UPDATING USER DOCUMENTATION

7.1. Planned changes

7.1.1 Notification of changes by POCL

1.163.14. POCL shall advise the Contractor of the requirement to update User documentation a number of days before the implementation of the change, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.2 Drafting of User documentation

1.163.15. The final copy of updated User documentation shall be completed a number of days before the implementation of that particular change, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.3 Final approval by POCL

1.163.16. All updated User documentation shall be subject to final approval by POCL a number of days before the implementation of that particular change, such number of

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days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.4 Availability

1.163.17. Updated User documentation shall be available to all Users of the documentation immediately prior to implementation of that particular change.

7.2. Emergency updates

1.163.18. Emergency updates to PPDs shall be made available to POCL within (24) hours of the changes being notified to the Contractor by POCL.

8. [NOT USED]

1.163.19. [not used].

9. USER SATISFACTION

9.1. Frequency of monitoring

1.163.20. The Contractor shall measure User satisfaction with User documentation annually.

9.2. Target for User satisfaction

1.163.21. User satisfaction with User documentation shall be no less than 90%.

9.3. Topics to be covered

1.163.22. Topics to be covered by the User satisfaction survey will include areas such as:

a) overall use/effectiveness of User documentation;

b) comprehensiveness of index/indices;

c) accuracy of index/indices;

d) relevance of any cross references;

e) accuracy of any cross references;

f) layout, style and language etc.;

g) readability/size/usefulness of graphics;

h) quality and clarity of text.

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1.164. Requirement 914 - Implementation - Service Level Agreement: Operational Systems Help Desk

1. INTRODUCTION

1.164.1. This requirement documents the key Help Desk Service requirements for the POCL Services and POCL Service Infrastructure.

2. HELP DESK SERVICE

2.1. General

1.164.2. The Contractor shall provide a Help Desk Service which shall be the first point of contact for Help Desk Customers. Help Desk Customers include Users and POCL Clients having a direct interface with the POCL Services and any other party authorised by POCL and agreed with the Contractor.

1.164.3. The Help Desk shall:

a) act as a central point for information on the working state of the POCL Services;

b) keep Help Desk Customers notified of any scheduled interruptions;

c) assist in any negotiations between POCL and their customers and any other party authorised by POCL and agreed with the Contractor where interruptions to the POCL Services provided are scheduled;

d) keep Help Desk Customers informed of when the POCL Service will be restored.

1.164.4. The Contractor's Help Desk Service shall provide first, second and third level Services. Help Desk contact shall be over the telephone.

1.164.5. The Contractor shall provide the facility to transfer calls which are received and are outside its area of responsibility. The Contractor shall also provide the facility to receive transferred calls from POCL help desks and helplines.

2.2. First Level Service

1.164.6. The first level Service shall provide an immediate problem solving service for all simple and straightforward problems, which can be resolved within five (5) minutes, and all general enquiries.

1.164.7. The first level member of staff who takes the call owns the problem from initial logging through to resolution to the Help Desk Customer's satisfaction. The Contractor shall cater for first level members being off duty.

2.3. Second Level Service

1.164.8. The second level Service shall provide a diagnostics and fixing service for all problems which cannot be fixed within five (5) minutes by the first level Service, but which can be resolved within thirty (30) minutes.

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1.164.9. Calls shall be referred electronically from the first level Service to the second level Service. Second level staff shall have access to a prioritised list of outstanding problems, and all the details on the problem entered by first level staff.

2.4. Third Level Service

1.164.10. If the Help Desk is unable to resolve a problem at the first or second level the Contractor shall categorise and prioritise the problem so that it can be actioned and completed within a standard timescale.

2.5. Hours of Service

1.164.11. A full Help Desk Service is required during the POCL Core Day. A skeleton Help Desk Service shall be provided between 05:00 and 08:00 and between 20:00 and 24:00, Monday to Saturday, and between 07:00 and 22:00 on Sundays.

1.164.12. The Contractor shall ensure that calls made to the Help Desk outside specified hours are accepted by Contractor.

1.164.13. The Contractor, given two (2) POCL Core Days notice, shall extend the level of Service to whatever is required. In emergency circumstances, the Contractor shall, given five (5) hours notice, to provide a first and second level Service outside normal and extended working hours.

2.6. Problem Management

1.164.14. The Contractor shall provide a problem management system to record the problem details such as (but not exclusively):

a) unique problem serial reference, generated automatically by the problem management system;

b) Help Desk Customer contact, address, location and telephone number;

c) date and time problem occurred;

d) date and time problem was reported to Help Desk;

e) Help Desk contact;

f) description of the problem, including frequency of occurrence;

g) serial references of similar faults and previous occurrences;

h) Hardware Equipment involved; serial number etc.;

i) Software product and release version;

j) assessed impact on Help Desk Customers business;

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k) priority for solution;

l) problem category;

m) estimated elapsed time to solve problem;

n) any change of referral point;

o) date and time of referral.

1.164.15. The Contractor shall update the problem management system with the following information, as appropriate:

a) date and time of update;

b) Help Desk contact updating record;

c) textual description of the work done, or the fact that the problem had to be referred elsewhere, and who has taken it on;

d) date and time problem was cleared;

e) date and time the solution was accepted by the Help Desk Customer;

f) actual elapsed time to solve problem.

1.164.16. The Contractor shall also keep a record of all problems relating to the failure of uploading and downloading data.

1.164.17. The Contractor's first level Service staff shall assign a priority to the problem. Possible priorities could be:

Priority	Description
1	live working disrupted. Outlet cannot continue normal working;
2	live working disrupted but work around possible;
3	minor inconvenience. Help Desk provide short term resolution.

1.164.18. Throughout the life of the problem the Contractor staff shall monitor the progress of the problem and inform the Help Desk Customer at regular intervals, to be agreed with POCL by a date consistent with the Project Plan. This shall also apply to second and third level Services.

1.164.19. The Contractor shall manage the resolution of any problem using procedures which are defined in the document Horizon System Helpdesk PPD.

1.164.20. A problem can only be cleared when a Help Desk Customer has confirmed satisfaction with the resolution.

2.7. Systems and Services Supported

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1.164.21. The Contractor shall maintain User, asset, problem and change management databases.

2.8. Resilience

1.164.22. The Contractor is responsible for ensuring that a contingency plan is in place to cater with any Help Desk Incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management system. The contingency plan is to be agreed with POCL by a date consistent with the Project Plan and shall state how quickly the POCL Service will be restored in the event of an Incident.

2.9. Training

1.164.23. The Contractor shall provide any necessary awareness training to ensure Users work effectively with the Help Desk. The Contractor shall develop and implement training plans for its own staff.

2.10.Personnel

1.164.24. The Contractor shall ensure that all staff, including back-up staff, employed on the Help Desk Service have suitable and appropriate skills and training. The Contractor shall ensure that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the Contractor's organisation.

2.11.Service Targets

1.164.25. The Contractor shall answer at least 80% of all calls to the Help Desk within twenty (20) seconds during first level Service hours. 99.9% of calls shall be answered within forty (40) seconds.

1.164.26. The percentage of 'calls not answered' shall be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'.

1.164.27. The Contractor shall resolve at least 95% of calls assigned to first level within five (5) minutes. The Contractor will resolve 100% of calls assigned to first level within ten (10) minutes

1.164.28. The Contractor shall resolve at least 95% of calls assigned to second level within thirty (30) minutes. The Contractor shall resolve 100% of calls assigned to second level within forty-five (45) minutes.

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3. SERVICE MONITORING

1.164.29. The Contractor shall produce Service information, in electronic form and/or paper, and shall deliver this information to POCL within two (2) POCL Core Days of the end of the period to which they relate. The following is an example of the information required:

a) number of calls outgoing/received/number of calls not answered;

b) percentage of calls answered within target times;

c) number of problems/queries logged;

d) number and percentage of problems/queries solved within target times;

e) number of problems / queries assigned to first level that were not cleared within ten (10) minutes;

f) number of problems/queries with secondary complications (e.g. repeat calls);

g) number of problems/queries escalated;

h) percentage of time full Help Desk Service was available;

i) supplier performance against Service Levels for response;

j) Service availability at each post office.

1.164.30. POCL may wish to analyse the information by:

a) category of operational problem/query;

b) level and solving group at which the problem/query was solved;

c) Help Desk Customer group and location;

d) mean time to closure.

1.164.31. The Contractor shall retain Help Desk records for a minimum of eighteen (18) months.

1.164.32. Each quarter a survey shall be conducted by POCL to determine User satisfaction with the Help Desk Service. The approach to be taken and the format and content of the questionnaire shall be discussed between the Contractor and POCL at the quarterly Service Management Review meetings. **[DN Note that CCN281 omits the first sentence. However, this would make the remaining paragraph nonsense as "the approach" and "the questionnaire" would not be associated with anything. Therefore, I have retained the first sentence.]**

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1.164.33. The Contractor shall, on request, provide on-line access to the problem management system. POCL shall inform the Contractor of who is authorised to access the system. The Contractor shall provide ad hoc reports, as requested by POCL, within three (3) POCL Core Days.

1.165. Requirement 915 - Implementation - Service Level Agreement: Training Services

1. INTRODUCTION

1.165.1. This requirement documents the training requirements and key measurables that shall be used to assess only the effectiveness of the training Service as a whole, and applies to Existing Services.

2. TRAINING SERVICES

2.1. General

1.165.2. The training provided shall enable POCL's staff or Agents to achieve acceptable standards in key competencies in the use of the POCL Services.

1.165.3. The Training Services shall incorporate the development design and delivery of agreed training events and support materials.

2.2. Specific Responsibilities

Contractor

a) Design of training events;

b) development of training materials (day to day and maintenance);

c) delivery of training:

- to delegates (as appropriate);
- to trainers;

d) communication of training activity:

- to delegates;
- to POCL;
- to POCL Regions;

e) management of training processes:

- training plans;

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- call up notices;
- site selection and preparation;
- provision of appropriate Equipment;

f) management information (training):

- provide defined reports on training completed for agreed periods;

g) Attend regular training review meetings;

h) Identify improvement to training Services.

POCL

a) Consider and once it has agreed sign off Contractor's training proposals and processes;

b) monitor and review performance;

c) attend regular training review meetings;

d) identify improvements to training Services as part of the Contractor's quality review.

3. KEY MEASURABLES

3.1. Timeliness

1.165.4. Training courses shall be available within ten (10) POCL Core Days notice being provided by POCL in addition to the 4 week invitation notice period to Users.

1.165.5. Training shall not be delivered earlier than seven (7) or later than three (3) POCL Core Days before live usage of the POCL Service Infrastructure or the relevant POCL Service by delegates in the case of non-ECCO+ Outlets. However for the Live Trial, training shall not be delivered more than ten (10) POCL Core Days before live usage of the Service Infrastructure or the relevant service by delegates. However for the ECCO+ offices, training shall not be delivered more than ten (10) POCL Core Days before live usage of the Service Infrastructure or the relevant service by delegates.

3.2. Quality

1.165.6. Trainees' satisfaction with the training venue shall be measured by a training satisfaction questionnaire and shall achieve not less than 85% satisfaction.

1.165.7. The training shall have received a positive rating of not less than 95% as a result of a training measurement questionnaire.

3.3. Cycle Time

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1.165.8. Training shall take no longer than the timescale specified by the Contractor in their Solution to Requirements 531 and 534 to enable delegates to achieve the required standard of competence. Where minimum training compliance (MTC) is not affected remedial training can be delivered up to 2 days prior to individual site acceptance.

3.4. Contingency / Disaster Recovery

1.165.9. Notification of course cancellations shall be issued at the earliest possible time. A minimum of forty eight (48) hours notice must be provided for 98% of cases.

1.165.10. The Contractor shall cancel no more than 2% of courses.

1.165.11. When a designated training site becomes inoperative the Contractor shall make an alternative available and functioning within (approximately five days) to enable continuation of the training plan.

3.5. Data Accuracy and Integrity

1.165.12. There shall be no degradation to any Transaction data in the live POCL Service Architecture as a result of accessing localised training packages.

1.165.13. Training course content shall have no factual errors at the time of release.

3.6. Competence levels

1.165.14. The training Services provided shall ensure that 95% of trainees on completion of the training shall be able to demonstrate achievement of the agreed level of competence, which shall reflect a score of 90% for knowledge related areas for transactions and the operating platform.

1.165.15. Competence levels shall be measured by the Contractor for delegates to second level of the Kirkpatrick model utilised by POCL.

4. COMMUNICATION

1.165.16. Delegate performance feedback shall be provided by the Contractor for each person attending a training course.

1.165.17. Regional offices shall be provided by the Contractor with a status report on delegates whose attainment level of the key competencies for their user group is below the agreed standard within five (5) days of training completion.

1.165.18. Trainees shall receive call up papers one (1) month prior to proposed date of training.

1.165.19. Call up notices shall provide options as to days and times of attendance for training.

5. MONITORING TRAINING SERVICES

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1.165.20. The Contractor shall supply information to POCL in the agreed format which identifies actual performance against the key measurables stated.

6. TRAINING REVIEW MEETINGS

1.165.21. Review meetings shall be held on a regular basis.

Operational Trial	fortnightly
First 6 months live running	monthly
From 7 months to 18 months	quarterly
After 18 Months	ad hoc or emergency review meetings may be called by either party.

Note : Meetings timing shall be subject to agreement. These are only indicators.

7. ESCALATION PROCEDURES

1.165.22. Failures in Service Levels shall be managed and rectified between the nominated SLA managers of POCL and the Contractor whenever possible.

1.165.23. Issues which cannot be rectified shall follow the agreed escalation path as detailed in Clause 807.

8. CHANGE MANAGEMENT

1.165.24. Permanent variations to the agreed Service Levels and or the training Services provided shall be progressed through the standard Change Control Procedure.

9. TRAINING SERVICE SLA MANAGEMENT

1.165.25. [Not used]

1.165.26. The SLA shall be managed within the overall framework of Schedules A04 and G07 of the Codified Agreement.

1.166. Requirement 918 - General - Communications

1.166.1. POCL shall retain the right of veto on all communications, marketing and education for all Customers, POCL employees, Agents and their staff.

1.167. Requirement 921 - POCL Service Infrastructure - Security: OPS Secure Time-out

1.167.1. The OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall provide a secure time-out facility for each counter terminal and back office terminal.

1.167.2. The facility shall allow the User to resume work with the minimum delay consistent with achieving security in accordance with the provisions hereof.

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1.167.3. It shall be clear that the facility is in use to remove any confusion between a terminal with the facility activated and a terminal that is available for use by any User.

1.167.4. Under circumstances where the facility has been activated and the User is no longer able to cancel it, for whatever reason, it shall be possible with appropriate authority:

a) to complete User and Outlet balances; and

b) to make the terminal available to another User.

1.167.5. The circumstance where the facility has been overridden by an appropriate authority shall be expressly logged to the audit trail.

1.168. Requirement 922 - POCL Service Infrastructure - OPS: Noise Emissions

1.168.1. The acoustic noise emission of any element of the POCL Service Infrastructure used in the provision of OPS shall not exceed 60dB(A) measured at a distance of one metre.

1.169. Requirement 925 - Joint Implementation - Operational Trial: Acceptance Testing Requirements

1.169.1. The Operational Trial in respect of Roll Out shall be carried out in accordance with Schedules L01, L02, L03, L04 and L05.

1.170. Requirement 926 - Roll Out: Generic Requirement

1.170.1. All Roll Out plans shall be agreed with POCL. Any changes to functionality of the POCL Services shall be implemented only with the prior approval of POCL.

1.170.2. POCL reserves the right to suspend the Roll Out programme if the Contractor fails to deliver POCL Services to the Service Levels.

1.171. Requirement 938 - Data Protection

1.171.1. The Contractor shall comply with all its Data Protection obligations specified in Schedule A02

1.172. Requirement 941 - Implementation - Roll Out: Post Office Roll Out

1.172.1. The planned Roll Out of the POCL Service Infrastructure for each Outlet shall be agreed by the Contractor and POCL by a date consistent with the Project Plan.

1.172.2. Northern Ireland is a discrete area for such Roll Out purposes.

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1.173. Requirement 945 - Implementation - Service Level Agreements: Installation of POCL Service Infrastructure

1.173.1. The installation of the POCL Service Infrastructure, and the implementation of POCL Infrastructure Service in relation to Roll Out, and the Service Levels for the POCL Infrastructure Service shall be as set out in Schedule G06 and G10.

1.174. Requirement 949 - POCL Implementation - Training

1.174.1. The Contractor shall be capable of delivering POCL's total training requirement if required in due course.

1.175. Requirement 951 - General - Service Architecture Design Document

1.175.1. The Contractor shall develop and maintain the Service Architecture Design Document, a document describing the design of the POCL Service Architecture.

1.175.2. As a minimum the Service Architecture Design Document shall specify:

a) the major components, provided directly or sub-contracted, used in providing the POCL Services;

b) the functionality within the major components;

c) the interfaces between the major components;

d) the Service Levels required across the interfaces to meet the objectives of the overall POCL Services;

e) all the interfaces with the POCL Service Environment and with other parties' computer systems.

1.175.3. The audience for the Service Architecture Design Document shall be technical staff within POCL. The Service Architecture Design Document shall be self contained, though it is expected that it references other documents to provide further levels of detail as appropriate. The level of detail within the Service Architecture Design Document shall be such that it gives a thorough background to the construction of the POCL Services and the rationale for the approach. It is anticipated that the Service Architecture Design Document shall be between 200 and 400 pages in length.

1.176. Requirement 952 - POCL Service Infrastructure - OPS: APS and NBS Key Management

1.176.1. The OPS shall support a reliable, secure means for the transfer of encrypted data that may subsequently be used for cryptographic applications.

1.176.2. In order to use the encrypted data, a key management system shall be in place so the encrypted data can be deciphered without risk of the cryptographic key being exposed.

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1.177. Requirement 953 - POCL Service Infrastructure - OPS: Concurrency

1.177.1. OPS shall support concurrent access to POCL Services provided via it.

1.177.2. OPS shall ensure data integrity, e.g. reports printed at the back office whilst serving at the front office shall be consistent with a clearly stated policy (to be approved by POCL) of what front office data are included in the report.

1.177.3. Performance of OPS shall not be significantly degraded by other office activity, e.g. front office, back office and communications activities shall not unduly impact each other.

1.178. Requirement 956 - OBCS - OPS Interface: ESNCS to OBCS

1. BUSINESS SUPPORTED ACROSS THE INTERFACE

1.178.1. The following business transactions shall be supported across this boundary:

1.1 Transactions initiated by ESNCS

1.178.2. Order book stops - ESNCS shall provide to OBCS amendments to the currently held list of order books that shall be stopped and impounded when they are presented at a post office (i.e. order books where no further payment on foils within the specified order book shall be made);

1.178.3. Order book recalls - ESNCS will provide to OBCS, and OBCS shall receive, amendments to the currently held list of recalled order books which are to be recalled. OBCS shall calculate the recall date in accordance with *OBCS Business Processing Rules*. A recalled Order book shall be impounded upon presentation at a post office.

1.178.4. Purge order book notification - ESNCS shall provide a list of order books which OBCS may purge from its list of recalls or stops. OBCS shall not subsequently need to support any stop or recall action on such order books unless they are subsequently re-notified via either the stop or recall processes;

1.178.5. Restate full list - ESNCS shall, on request from the Contractor to POCL (acting on behalf of DSS), provide a full list of all stops and recalls that are currently in force. This is an ad hoc Transaction which requires agreement of both POCL, on behalf of DSS, and the Contractor (such agreement not to be unreasonably withheld or delayed) before it can be initiated.

1.2 Transactions initiated by the Contractor

1.178.6. Notification of outcome of order book receipt at post office - OBCS shall notify ESNCS of the outcome of the order book receipt process in the post office. The outcome shall be one of:

a) the order book is acceptable;

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b) the order book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);

c) the order book bar-code is found to be unreadable and is to be sent by the post office to a DSS office for re-issue.

1.178.7. Notification of an order book redirection - the post office detects delivery of an order book to the wrong post office and attempts to redirect it to the correct one. OBCS shall notify ESNCS of the outcome of such events which shall be one of:

a) the order book is redirected;

b) the order book is found to be unreadable and is to be sent to a DSS office for re-issue.

1.178.8. Notification of outcome of order book handover to the Authorised Person - OBCS shall notify ESNCS of the outcome of the order book handover to the Authorised Person. The outcome shall be one of:

a) the order book is handed over successfully;

b) the order book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);

c) the order book bar-code is found to be unreadable and is to be sent to a DSS office for re-issue.

1.178.9. Notification of outcome of order book foil encashment - OBCS shall notify ESNCS of the outcome of the order book foil encashment. The outcome shall be one of:

a) the encashment is successful and the number of foils encashed and the total value are reported;

b) no encashment is made and the order book is immediately impounded (due to a previous stop request accepted from ESNCS);

c) one or more foils are encashed, the number of foils encashed and their total value are reported, and the order book is impounded (due to a previous recall request accepted from ESNCS);

d) one foil is encashed, its value reported, and the order book is impounded due to the order book bar-code being unreadable.

1.178.10. Post office summary Transaction - OBCS shall notify ESNCS daily for each post office of:

a) the total number of non bar-coded order books presented at that post office;

b) the total number of order books impounded without any encashments due to the bar-code being invalid.

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2. SYSTEM AND SERVICE RESPONSIBILITY

1.178.11. The Contractor shall provide all networks, hardware, software, procedures and training required to connect and deliver Services to the nominated ESNCS platforms. It is entirely responsible for Roll-Out, operation and management of all such resources subject to the approval of POCL on behalf of DSS. The Contractor shall provide such connection(s) at sites nominated by POCL on behalf of DSS and which may change over time.

1.178.12. ESNCS is ICL VME and UNIX based and resides in the DSS Area Computer Centres operated for DSS by EDS. POCL, on behalf of the DSS, and the Contractor shall agree, from time to time, the technical nature and implementation of the connection.

1.178.13. The Contractor shall not change the ESNCS interface as currently implemented in any way without approval by POCL, on behalf of DSS. The exception to this is the acknowledgement of order book stops and recalls which is in addition to the current implementation.

1.178.14. The Contractor'S service responsibilities extend to:

a) transport of ESNCS created Transactions and any associated information (e.g. Reference Data) from the ESNCS service to the POCL Services along with any subsequent processing. This normally includes detecting the availability of such Transactions and data on the ESNCS services;

b) provision of responses to Transactions where requested along with delivery to the ESNCS service;

c) transport of Contractor created Transactions and information from the POCL Services to the ESNCS service and notification of their availability if required.

1.178.15. Agreed Service Levels for this interface are as set out in Schedule H08.

1.179. Requirement 960 - POCL Applications - EPOSS: Zero-Value Transactions

1.179.1. EPOSS shall allow POCL to record various zero-value Transactions to measure work done, for example for various Royal Mail and Parcelforce activities and for distribution of various forms, for example E111s. The measurement of work may be for charging Clients, for remunerating subpostmasters, for monitoring work done to check assumptions in cases where the costs are subsumed in other charges, and so forth. Potential reasons for new zero-value Transactions might be to provide data for Clients in support of Service Level monitoring, for example recording Transaction times for mail receipts.

1.179.2. Automated zero value Transactions shall be reported separately. Initially these shall be:

a) automated payments which fall into two categories:

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- Smart Tokens, where Transactions are recorded (even if zero value) once the Client has been identified since this implies interaction with the Smart Token;

- swipe-cards or keyed Transactions, where recording of zero value Transactions is controlled by POCL Product parameters for minimum and maximum values but where a Transaction can be made void during Customer Service;

b) OBCS order book receipt and issue in Outlets.

1.179.3. Particular aspects are:

a) automated payments shall continue as now;

b) extra automated Transactions, including zero-value ones such as those indicated above for book/receipt movements shall be designed as POCL Products in the normal way with normal Transaction controls and data flows, including interfaces with POCL systems.

1.180. Requirement 971 - POCL Implementation - Farnborough Requirement

1.180.1. Clients served using the APS shall receive only one stream of unreconciled data irrespective of the source of the polling at Outlets (whether via Farnborough or Contractor facilities). The Contractor and POCL shall agree (such agreement not to be unreasonably withheld or delayed) a strategy to achieve this requirement as from the commencement of Roll Out.

1.180.2. The strategy shall include, but not exclusively, a timetable separate from and shorter than the Roll Out timetable, for the Contractor to absorb the reducing workload from Farnborough.

1.181. Requirement 972 - Implementation - Roll Out: Strategy

1.181.1. The Contractor shall conform to POCL'S Roll Out strategy, which is as follows:

a) installation will prioritise the following seven (7) major conurbations for Roll Out: West Midlands; Greater Manchester; Merseyside; Leeds / Bradford; Tyne and Wear; Glasgow / Edinburgh; Urban South Wales;

b) the M25 Roll Out shall take place during the second half of the overall Roll Out Programme:

1.182. Requirement 973 - End to End Service - Internal Interface Specifications

1.182.1. The POCL Services may, during the lifetime of the Codified Agreement or at termination, need to be replaced or supplemented with services provided by other suppliers. It shall therefore be both technically and commercially viable for the POCL Services to be replaced by and/or interfaced to services from other suppliers. To support this, the Contractor shall declare all internal interfaces between separate POCL Services within the overall POCL Service Architecture.

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1.182.2. For each interface the Contractor shall provide an interface specification covering:

a) A definition of the business processes supported across the service boundary, including who originates the processes.

b) All business transactions supported across the service boundary including responses, associated information, any supporting facilities and any constraints including required timings.

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26 JUN 2002

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SCHEDULE A15 - REQUIREMENTS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN81d to R819; CCN239a to R493; CCN261a to R545; CCN262 to R830; CCN263a to R831; CCN264 to R891; CCN280 to R914; CCN281 to R914; CCN289 to R547; CCN310a to R544; CCN349 to R509; CCN350 to R545; CCN353 not to R945; CCN384a to R489; CCN387 to R956; CCN411a to R543; CCN430 to R871	
1.1b	Removing the effect of CCN239a on R493; correcting document reference from CCN280, R914; applying CCN437 to R915	
1.1	Baselined copy of 1.1b	18 Oct 1999
1.2a	Applying CCN323a to R465, R473, R475, R547, R549, R550, R552, R553, R554, R913; CCN472 to R818; CCN540 to R834; ; CCN487b to R915; CCN560 to R891	
1.2	Baseline copy of 1.2a	30 November 1999
1.3a	Applying CCN473c to R818 (including insertion of new paragraph and renumbering of following paragraph); CCN566a to R915	23 December 1999
1.3	Baseline copy of 1.3	30 March 2000
2.0a	Applying CCN679b to R471	
2.0	Baseline copy of 2.0a	12 January 2001
4.0k	New Schedule to introduce Network Banking Service	20/06/02
4.0	To Introduce Network Banking Service	21/06/02

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1. REQUIREMENTS

1.1. Requirement 463 - POCL Service Infrastructure - OPS: Additional Requirements for OPS Equipment

1.1.1. The Contractor shall supply samples of all elements of the POCL Service Infrastructure , excluding NBS related elements and PIN Pads, used to provide OPS for purposes other than (i) Roll Out and (ii) live use in POCL Premises as part of the Operational Services. Examples of these purposes include:

a) testing by POCL;

b) training;

c) demonstrations and marketing.

1.1.2. The Contractor shall provide specimens of all elements and proposed elements of the POCL Service Infrastructure excluding NBS related elements and PIN Pads used to provide OPS from time to time to undergo destructive safety testing.

1.1.3. POCL shall notify the Contractor from time to time of how many samples are required for the purposes of testing such elements of the POCL Service Infrastructure at Operational Trial. They shall not in total exceed the equivalent of 8 post offices with a total of 50 Counter Positions. Any requirements thereafter for samples of equipment for testing purposes (beyond the initial 50 Counter Positions) shall be subject to a process approved by a date consistent with the Project Plan.

1.1.4. Unless testing demonstrates a breach of the relevant standards in Schedule A02, the number of specimens for destructive testing purposes shall not exceed one example of each component of Hardware within the elements of the POCL Service Infrastructure that are proposed for the OPS.

1.1.5. The quantity of samples for training purposes depends on the training methodology employed.

1.1.6. PIN Pads are not part of Operational Trial.

[Pathway DN: Above provision deleted, because it is not relevant with PIN Pads being delivered to ROMEC. Schedule G12 provides for a supply of PIN Pads for spares and OBC to be delivered by POCL to Pathway, not vice versa]

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1.2. Requirement 464 - POCL Service Infrastructure - OPS: POCL's Agreement to Offer Services Using OPS and TMS

1.2.1. Services which utilise OPS or TMS shall only be provided subject to the agreement of POCL.

1.3. Requirement 465 - POCL Service Infrastructure - OPS: Appearance of the OPS Equipment

1.3.1. The livery of the elements of the POCL Service Infrastructure to be used for OPS shall be agreed with POCL before Roll Out. A single livery shall be approved for all Outlets that is consistent with the Horizon OPS Style Guide for Post Offices.

1.3.2. The effort required to maintain the appearance of the Equipment to a level reasonably acceptable to POCL shall be minimal.

1.4. Requirement 466 - POCL Service Infrastructure - OPS: Consumables

1.4.1. The Contractor shall supply detailed specifications of all the consumables used by the OPS. The Contractor shall provide estimates of the likely consumption of each consumable and, as part of an impact assessment, the impact on consumption of any changes, including new Services.

1.4.2. The Contractor shall be capable of supplying all consumables, but POCL shall have the option to source consumables from another supplier.

1.5. Requirement 467 - POCL Service Infrastructure - OPS: Links from OPS to TMS

1.5.1. Each instance of OPS within Outlets shall interface with TMS to allow the transfer, in both directions, of authorised data files and messages.

1.5.2. The transfer of data between OPS and TMS shall be secure, complete, accurate and robust.

1.5.3. Within OPS it shall be possible to identify whether data from OPS have been received by TMS or not.

1.6. Requirement 468 - POCL Service Infrastructure - OPS: engineering visits

1.6.1. Maintenance and repair of the elements of the POCL Service Infrastructure used to provide OPS involving on-site attendance at POCL Premises by the Contractor's engineers shall not interfere unduly with the ability of an Outlet to serve Customers, even where Outlets have a single Counter Position and/or extremely limited physical space.

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1.7. Requirement 469 - POCL Service Infrastructure - OPS: Technical Documentation

1.7.1. The Contractor shall provide technical documentation concerning OPS and the elements of the POCL Service Infrastructure used to provide OPS. This documentation shall be suitable to allow POCL to procure applications which utilise OPS or hardware which interfaces with OPS. These procurements shall not necessarily be from the Contractor.

1.7.2. All changes to such documentation shall be subject to the Change Control Procedure.

1.8. Requirement 470 - POCL Service Infrastructure - OPS: TMS Technical Documentation

1.8.1. The Contractor shall provide technical documentation concerning TMS and the elements of the POCL Service Infrastructure used to provide TMS. This documentation shall be suitable to allow POCL to procure applications which utilise TMS. These procurements shall not necessarily be from the Contractor.

1.8.2. All changes to such documentation shall be subject to the Change Control Procedure.

1.9. Requirement 471 - POCL Service Infrastructure - OPS: Messaging facilities

1.9.1. Using TMS and OPS it shall be possible to broadcast messages to all or a subset of Outlets by use of the Message Broadcast Service set out in Schedule G01.

1.9.2. TMS and OPS shall have the capability to be developed to allow, subject to change control, staff working in the Outlets to gain access to information held electronically on the POCL Service Infrastructure such as is currently published in 'Counter News' and the operations manuals provided hereunder by the Contractor.

1.10. Requirement 472 - POCL Service Infrastructure - OPS: Security of Data and Audit Trail

1.10.1. Data capture within OPS shall be accurate and robust.

1.10.2. The integrity and security of data held within the OPS shall be protected at all times. Full logs of Events within OPS shall be maintained and an audit trail of interactions with, and actions within, OPS shall be maintained.

1.10.3. The integrity and security of data held within OPS shall not be compromised by any Incident nor when OPS is re-established following any Incident.

1.11. Requirement 473 - POCL Service Infrastructure - OPS: User Access

1.11.1. Any remote access to OPS shall be restricted to Users specifically authorised by POCL and shall only take place via TMS.

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1.11.2. Access to OPS and POCL Services offered via OPS to staff working in the Outlets shall be controlled by a mechanism, conforming to the Horizon OPS Style Guide, offering multiple access levels and providing specific identification of each User.

1.11.3. It shall be possible to restrict the functionality available at an Outlet, to permit (inter alia) some POCL Services not to be offered at all Outlets.

1.11.4. There shall be support available to Users who have forgotten their passwords. A large proportion of the Outlets have only a single Counter Position. The support mechanism used shall not unduly reduce the effectiveness of access control.

1.11.5. There shall be a secure and reliable mechanism for Users to suspend and resume access to OPS and POCL Services offered via OPS. This shall not be unduly onerous or time consuming for Users.

1.12. Requirement 474 - POCL Service Infrastructure - OPS: Health, Safety, and Legal Obligations

The Contractor shall comply with all health, safety and legal obligations specified in Schedule A02

1.13. Requirement 475 - POCL Service Infrastructure - OPS: Horizon OPS Style Guide

1.13.1. The Contractor shall draw up the Horizon OPS Style Guide and agree this with POCL by a date consistent with the Project Plan. Any POCL Services to be offered via the OPS shall be provided in accordance with the Horizon OPS Style Guide.

1.13.2. The Horizon OPS Style Guide shall set out, inter alia, general guidelines for the Human Computer Interface, including screen layouts, system navigation routes and help and manual entry facilities.

1.13.3. The Human Computer Interface shall be intuitive and easy to use, to minimise errors and delays. The Human Computer Interface shall provide a consistent look and feel across all Applications and be easy to adapt to facilitate the introduction of new Applications.

1.14. Requirement 476 - POCL Service Infrastructure - OPS: Release control

1.14.1. The following requirements shall be met in connection with the distribution and subsequent activation of each Release.

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1.14.2. The following shall be approved by POCL before any Release, this approval not being unreasonably withheld:-

a) the contents of any Release;

b) the upgrade path for any Release;

c) the timing of the distribution of any Release;

d) the timing of the activation of any Release.

1.14.3. The Contractor shall provide proof of sufficient and satisfactory pre-testing of each Release, including the following aspects:-

a) at individual component (unit test) level;

b) of all components of the Release, both changed and unchanged, working together (system test);

c) of all components in combination with different hardware and software combinations which may be encountered when the Release is in live, non-training, use hereunder.

1.14.4. The Contractor shall provide proof of sufficient and satisfactory preparation for the implementation of a Release. This shall include testing the implementation, reversion and regression from the Release.

1.14.5. The implementation of any Release shall not cause any significant disruption to Users, shall not disrupt the normal working environment of Users and shall not require significant involvement from Users.

1.14.6. The implementation of any Release shall not cause any corruption to data held by or on behalf of POCL.

1.14.7. The Contractor shall maintain a detailed record of all Releases and where they are deployed.

1.15. Requirement 477 - POCL Service Infrastructure - OPS: Asset register

1.15.1. The Contractor shall maintain a detailed list of all physical components installed at POCL Premises (an OPS asset register) and make it available to POCL on request. From the list it shall be possible to identify all elements of the POCL Service Infrastructure installed at any location.

1.16. Requirement 478 - POCL Service Infrastructure - OPS: Basic TMS Facilities

1.16.1. TMS shall link into each instance of OPS that is to be used for live work.

1.16.2. TMS shall provide links into other computer systems as required to support POCL. These systems include:-

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a) Client systems operated on behalf of Clients; and

b) other POCL systems, including without limitation TIP and NBE.

1.16.3. TMS shall provide Data File collection and Data File delivery Services.

a) It shall be possible to collect Data Files from or deliver Data Files to any computer system attached to TMS.

b) The collection or delivery of Data Files shall be triggerable by any of:

- User action;
- time;
- in response to a message from an attached computer system or generated within TMS.

c) The collection or delivery of Data Files shall be retried automatically, under parameter control, in the event of any failure.

d) It shall be possible for POCL to specify a pre-defined list of computer systems to which a Data File is to be delivered or from which a Data File is to be collected.

1.16.4. TMS shall provide a message switching capability, where a message consists of electronic data which shall be passed from one computer system to another ("switched") with minimal delay.

a) It shall be possible to switch messages between any two attached computer systems (including without limitation between elements of the POCL Service Infrastructure in individual Outlets).

b) Where TMS is unable to deliver a message it shall notify the originating computer system, except for NBS related elements where the originating system is the NBE subject to the provisions of the CCD entitled "NBE-Horizon AIS".

c) TMS shall include the following processing capabilities:

- validation of Data Files;
- consolidation of many Data Files into one Data File;
- generating many Data Files from one Data File;
- reformatting the contents of Data Files;
- generating control totals through access to the contents of Data Files;
- reconciliation of control totals;
- produce reports summarising financial transactions.

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1.16.5. The Contractor shall maintain a full audit trail of all TMS activity.

1.16.6. The Contractor shall ensure that any transfer of Data Files or messages to or from TMS is, and can be shown to be, secure, complete accurate and robust.

1.17. Requirement 479 - POCL Service Infrastructure - OPS: Control and Monitoring of TMS links

1.17.1. No computer system shall be connected to the elements of the POCL Service Infrastructure on which TMS is provided without the approval of POCL.

1.17.2. TMS shall only allow connections to such elements of the POCL Service Infrastructure to be established with computer systems which are approved by POCL to be connected. The Contractor shall maintain a register of computer systems with which such connections are allowed.

1.17.3. TMS shall authenticate the identity of any computer system with which a link is to be established.

1.17.4. The POCL Infrastructure Services shall report any attempt to establish a link which is rejected. The Contractor shall provide these reports to POCL on request.

1.18. Requirement 480 - POCL Service Infrastructure - OPS: Logical Discreteness of TMS

1.18.1. TMS shall be logically discrete from other POCL Services such that other services can be separately procured that make use of TMS and such that, in extremis, a replacement service for TMS could be separately procured.

1.19. Requirement 481 - POCL Implementation - Documentation: Process and Procedures Documentation

1.19.1. The Contractor shall provide a comprehensive set of PPDs for completing Transactions undertaken in Outlets. For Existing Services, the related PPDs shall be provided before training for such services commences. For NBS, the related PPDs shall be provided by the date specified in the NB Project Plan. The PPDs shall also include the definitive procedural instructions for Transaction support processes at Outlets e.g. accounting, balancing, Value Stock taking, and details of what to do in emergency situations e.g. failure of the POCL Service Infrastructure.

1.19.2. In essence the PPDs shall provide full details of completing all automated procedures in all Outlets.

1.20. Requirement 482 - POCL Implementation - Documentation: Documentation Standards for PPDs

1.20.1. The documentation standards applicable to PPDs shall be agreed, from time to time.

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1.21. Requirement 484 - POCL Implementation - Documentation: Availability of PPDs

1.21.1. The Contractor shall provide POCL one paper copy and one electronic copy of each PPD and subsequent updates.

1.22. Requirement 485 - POCL Implementation - Documentation: Updating PPD Information

1.22.1. The PPDs shall be updatable and updated, in line with any Service Levels agreed between the parties from time to time, (or if not agreed, then within a reasonable time), to ensure information is always current.

1.23. Requirement 486 - POCL Implementation - Documentation: POCL's Approval

1.23.1. All documentation provided hereunder by the Contractor shall be subject to final approval by POCL.

1.24. Requirement 487 - POCL Implementation - Installation: Survey of Outlets by the Contractor

1.24.1. The Contractor shall carry out the survey of Outlets to ascertain what modifications are needed to install the POCL Service Infrastructure in respect of Roll Out.

1.25. Requirement 488 - POCL Implementation - Installation: Installation and Acceptance of the Office Platform

1.25.1. In respect of Roll Out, the installation and acceptance of the elements of the POCL Service Infrastructure used to provide the OPS shall be undertaken in one day at each location in the POCL Premises.

1.26. Requirement 489 - POCL Implementation - Installation: Removal of Existing Equipment

1.26.1. In respect of Roll Out, the Contractor shall, on completion of implementation at an Outlet and using an agreed process, disconnect and move existing automated equipment as specified by POCL, and identified during the relevant site survey, to a single location in mainland UK agreed with POCL.

1.26.2. Such existing automated equipment shall be limited to the PC configurations that support ECCO and / or ESNS at 15th May, 1996.

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1.27. Requirement 490 - POCL Implementation - Installation: Installation within Normal Business Hours

1.27.1. In respect of Roll Out, installation at an Outlet shall be carried out at times in accordance with the CCD entitled "Installation Strategy".

1.28. Requirement 491 - POCL Implementation - Installation: Completion of Internal Modifications

1.28.1. In respect of Roll Out, the Contractor shall carry out internal office modification work at all POCL Premises in accordance with Clause 406 of the Codified Agreement.

1.29. Requirement 492 - POCL Implementation - Installation: Modifications - Compliance with Legislation

1.29.1. The Contractor shall ensure that all staff and sub-contractors carrying out modification work shall conform to all legislative requirements.

1.30. Requirement 493 - POCL Implementation - Installation: Removal / Fitting of Equipment at Relocated / Refurbished Outlet

1.30.1. Subject to limitations defined in Annex 5 to Schedule A12, the Contractor shall, as an Optional POCL Service,:

a) be responsible for the removal / fitting of the Equipment when Outlets are either relocated or refurbished. The Contractor shall move equipment within Outlets if needed for refitment / refurbishment reasons (including refitment / refurbishment to make such Outlets open plan), and shall if necessary provide extra Equipment; and

b) if requested by POCL, equip new sites / relocated sites in line with POCL's evolving network strategy from time to time.

1.31. Requirement 494 - POCL Implementation - Installation: Response to Network Change Requests

1.31.1. The Contractor shall respond within a timescale (which shall be agreed between POCL and the Contractor before commencement of Roll Out of the POCL Services), to network change requests supplied by POCL, in accordance with Service Levels. This requirement covers provision and installation of equipment in new and relocated POCL Premises as well as the movement / reconfiguration of equipment within existing POCL Premises.

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1.32. Requirement 495 - POCL Implementation - Installation: Provision of Equipment at Counter Positions

1.32.1. Subject to the limit in Annex 5 to Schedule A12, the Contractor shall provide the Equipment at Counter Positions. These shall include modified parcel positions and some non-modified positions.

1.33. Requirement 496 - POCL Implementation - Installation: Installation of Equipment at Any Site Designated by POCL

1.33.1. The Contractor shall install the Equipment at any site designated by POCL which may include training centres.

1.34. Requirement 497 - POCL Implementation - Installation: Installation by the Contractor in Outlets

1.34.1. The Contractor shall install the POCL Service Infrastructure necessary for OPS in Outlets.

1.35. Requirement 498 - POCL Implementation - Integration: Migration of Existing Products and Systems

1.35.1. For Roll Out, the Contractor shall migrate existing POCL Products and POCL systems from current POCL platforms - APT, ECCO+, ALPS, manual - to the POCL Service Infrastructure with no discontinuity of service to Customers and Clients. The Contractor shall work closely with POCL to plan how best to achieve effective migration. At Outlets, data transfer and associated tasks shall be expedited as efficiently as possible with minimum staff / subpostmaster involvement.

1.35.2. For Roll Out, in office data migration shall be carried out in accordance with the Migration Specification. To the extent that the first paragraph of this requirement 498 is inconsistent or in conflict with the Migration Specification, the Migration Specification prevails.

1.36. Requirement 499 - POCL Implementation - Integration: Timing of Installation

1.36.1. Installation of the POCL Service Infrastructure shall not take place in respect of Roll Out until the support services are available.

1.37. Requirement 500 - POCL Implementation - Roll Out: Confirmation of Permissions for Modifications

1.37.1. The Contractor shall obtain in each case certification from the appropriate Authorising Officer that relevant permissions have been granted before modifications to each POCL Premises are carried out.

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1.38. Requirement 501 - POCL Implementation - Roll Out: Planning and Agreement of Site Visits

1.38.1. The Contractor shall ensure there is a process in place to ensure all Outlets and Horizon Implementation Managers are aware of and agree the times and dates of all site visits in respect of Roll Out. The relevant Horizon Implementation Manager shall be the final arbiter in case of disagreements between the Contractor and the Outlet Manager.

1.39. Requirement 502 - POCL Implementation - Roll Out: Survey Activities to Avoid Disruption to Service

1.39.1. The Contractor shall carry out all survey activities with minimum degradation of post office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.40. Requirement 503 - POCL Implementation - Roll Out: Modifications to Avoid Disruption to Services

1.40.1. The Contractor shall carry out all modification activities with minimum degradation of Post Office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.41. Requirement 504 - POCL Implementation - Roll Out: Use of Existing Equipment

1.41.1. The Contractor shall utilise existing POCL equipment as specified in Schedule A09.

1.42. Requirement 507 - POCL Implementation - Roll Out: Installation to Avoid Pressure Periods

1.42.1. For Roll Out, unless otherwise agreed with the Horizon Implementation Manager and / or Outlet Manager, the Contractor shall minimise installation activity of the Equipment on POCL Premises during particular business periods, namely Christmas and New Year pressure periods, and other post office specific dates agreed by the Contractor and POCL on an annual basis (such agreement not to be unreasonably withheld or delayed).

1.43. Requirement 508 - POCL Implementation - Roll Out: Suspension

1.43.1. POCL may suspend the Roll Out programme if the Contractor fails to meet any of the Service Levels.

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1.44. Requirement 509 - POCL Implementation - Roll Out: Siting of Equipment in Outlets

1.44.1. The siting of the elements of the POCL Service Infrastructure other than PIN Pads in each Outlet shall be in accordance with the processes set out in the Horizon Counter Infrastructure Rollout - Survey Requirement Specification document.

PIN Pads shall be installed after Roll Out as a separate service, in accordance with Schedule G12.

Siting of PIN pads will be decided by POCL

1.45. Requirement 510 - POCL Implementation - Roll Out: Common Planning Base for All Types of Outlet

1.45.1. For the purpose of Roll Out planning the Contractor shall make no particular distinction between types of "main" post office (e.g. branch offices, modified sub post offices and franchised post offices).

1.46. Requirement 511 - POCL Implementation - Roll Out: Installation to avoid disruption to services

1.46.1. The Contractor shall carry out all installation activities with minimum degradation of post office and retail operations - including any existing computer, telecommunications and other systems at the Outlet.

1.47. Requirement 512 - POCL Implementation - Roll Out: Overriding Constraints to Speed of Roll Out

1.47.1. Roll Out of the POCL Service Infrastructure and POCL Services shall be undertaken as quickly as possible subject to the over-riding requirement to:

a) maintain service and Client continuity;

b) maintain the quality of service delivery to Clients and Customers;

c) appropriate support systems - including training - being in place;

d) avoidance of damage to POCL's brand, reputation and integrity;

e) treat POCL's staff and Agents professionally and with respect;

but in any case shall be completed by a date consistent with the Project Plan.

1.48. Requirement 513 - POCL Implementation - Roll Out: POCL's Agreement to Equipment Upgrades

1.48.1. The Contractor shall only upgrade the Equipment at Outlets with the prior approval of POCL. This approval shall not be unreasonably withheld.

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1.49. Requirement 514 - POCL Implementation - Roll Out: Mechanism for Determining that Outlets are Ready to Go Live

1.49.1. For Roll Out, the Contractor shall provide a process for determining that individual POCL Premises are ready to go live i.e. that the new POCL Service Infrastructure functionality at such POCL Premises shall be activated for use. POCL may withhold agreement to such activation if, for any reason, it determines that in a particular set of circumstances such activation is detrimental to its Customers, Clients, staff, or Agents. If such activation is not sanctioned, POCL and the Contractor shall resolve outstanding issues as soon as possible.

1.50. Requirement 516 - POCL Implementation - Roll Out: POCL Rights to Amend Roll Out Programme

1.50.1. POCL reserves the right to request amendments to the Roll Out Programme, in accordance with the Change Control Procedure, as necessary to protect its Service Levels.

1.51. Requirement 517 - POCL Implementation - Roll Out: Outlet Modifications to be Completed in One Visit

1.51.1. For Roll Out, the modifications will be completed in one visit to the Outlet. Telecommunication line installation may be carried out separately and with prior notification to the Horizon Implementation Manager and / or Outlet Manager (approval not required for telecommunication installation provided that it is carried out during normal working hours of the relevant Outlet). It is recognised that modification work in larger Outlets, i.e. those with more than six (6) counter positions, may need to span more than one day. In these, or other exceptional circumstances, arrangements to complete such work over more than one day will be subject to mutual agreement between the Contractor, the Horizon Implementation Managers and / or Outlet Managers, but such agreement shall not be unreasonably withheld.

1.52. Requirement 518 - POCL Implementation - Roll Out: Outlet Survey to be Completed in One Visit

1.52.1. In respect of Roll Out each Outlet survey shall be completed in one visit to the Outlet.

1.53. Requirement 519 - POCL Implementation - Operational Services: Installation at Previously Unequipped Counter Positions

1.53.1. Subject to the limits in Annex 5 to Schedule A12, the Contractor shall provide and install the POCL Service Infrastructure used for OPS at Counter Positions not previously so automated as directed by POCL. This shall include PIN Pads once the national deployment of PIN Pads has commenced in accordance with Schedule G12.

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1.54. Requirement 520 - POCL Implementation - Supporting Services: Availability from Day One

1.54.1. In respect of Roll Out the Contractor shall ensure that all the support services shall be available before activation of the POCL Service Infrastructure in each POCL Premises in line with the Service Levels.

1.55. Requirement 521 - POCL Implementation - Supporting Services: Help Desk Services Single Point of Access

1.55.1. The Contractor shall provide one telephone number as a single point of access to all Help Desk Services.

1.56. Requirement 522 - POCL Implementation - Supporting Services: Help Desk Telephone Number

1.56.1. The Help Desk contact point for POCL Users shall be a local rate telephone number.

1.57. Requirement 523 - POCL Implementation - Supporting Services: Levels of Support Service

1.57.1. The Contractor shall provide appropriate levels of support services:

a) to all Users who have access to the POCL Service Infrastructure;

b) to cover the operation of interfaces with the POCL Service Environment;

c) to provide support for all other help desks linked to the Help Desk facility provided by the Contractor.

1.58. Requirement 524 - POCL Implementation - Supporting Services: Help Desk Hardware Support

1.58.1. The Help Desk Service shall deal, without limitation, with calls relating to the Hardware. This shall include, but is not exclusive to:

a) fault diagnosis;

b) maintenance call out;

c) caretaking advice;

d) configuration management.

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1.59. Requirement 525 - POCL Implementation - Supporting Services: Help Desk Additional support services

1.59.1. The Help Desk must be able to provide access for Users to additional support services (including training facilities and training materials for Existing Services, operational support documentation, and consumables) by the commencement of Roll Out and shall provide such access thereafter when requested to do so by POCL.

1.60. Requirement 526 - POCL Implementation - Supporting Services: Help Desk Resolution of Reported Incidents

1.60.1. All reported Incidents shall be resolved in line with Service Levels.

1.61. Requirement 527 - POCL Implementation - Supporting Services: POCL Help Desk

1.61.1. A dedicated POCL Help Desk staffed by fully trained, qualified and experienced personnel shall be provided working to Service Levels.

1.62. Requirement 528 - POCL Implementation - Supporting Services: Help Desk Re-Routing of Calls

1.62.1. Calls made to the POCL Help Desk that are not pertinent to it shall be re-routed to the appropriate point as per Service Levels.

1.63. Requirement 529 - POCL Implementation - Supporting Services: Help Desk Compliance with POCL Help Service Behavioural Standards

1.63.1. The Help Desk Service shall comply with POCL help service behavioural standards in accordance with Service Levels.

1.64. Requirement 530 - POCL Implementation - EPOSS Functionality Availability of Services

1.64.1. Deleted

1.65. Requirement 531 - POCL Implementation - Training: Acceptable Standards in Key Competencies

1.65.1. For Roll Out and for the Existing Services, training shall be provided to enable POCL's target audience to achieve acceptable standards in key competencies as defined by POCL by a date consistent with the Project Plan. These competencies shall be reviewed from time to time. For some groups this may mean familiarisation training only. The target audience shall include Users, managers, trainers, auditors and certain non User groups i.e. retail network managers, regional helpline staff, and account teams in business centres. The Contractor shall deliver the training in the manner specified in the solution to this Requirement.

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1.65.2. Competence shall be measured by a method agreed between POCL and the Contractor by a date consistent with the Project Plan.

1.66. Requirement 532 - POCL Implementation - Training: new Products and Product Changes

1.66.1. For Roll Out and the Existing Services, the Contractor shall train all appropriate staff in the handling of new Products or Product changes, when such staff are trained in the five POCL Core Days before live usage of the POCL Service Infrastructure at their Outlet, as provided for by Requirement 915.

1.67. Requirement 533 - POCL Implementation - Training: Non Interference with Data Transfer or Integrity

1.67.1. If the POCL Service Infrastructure has a facility to operate in dummy training mode, it shall not interfere with the transfer or integrity of POCL Data.

1.68. Requirement 534 - POCL Implementation - Training: Suitability for Different User Groups

1.68.1. For Roll Out and the Existing services, the Contractor's training solution shall take account of Users' experiences in term of automated products and platforms (ECCO+, APT, ALPS) and their differing abilities to learn. The Contractor shall agree with POCL (such agreement not to be unreasonably withheld or delayed) the training requirements for the different target audiences identified including training required when individuals move between these target audiences. This may include change of Outlet, promotion, new recruits etc.

1.69. Requirement 536 - POCL Service Infrastructure - OPS: Equipment General Requirements

1.69.1. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be reliable, robust and easy to use.

1.69.2. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be capable of detecting contention, premature removal/swapping of Tokens etc. as appropriate.

1.70. Requirement 537 - POCL Service Infrastructure - SMS: System Management

1.70.1. The Contractor shall carry out system management of all the POCL Services in a consistent and coherent manner to ensure the following:

a) activities within the POCL Services, including TMS, OPS, OBCS, APS,EPOSS and NBS are co-ordinated such that, for example, changes and faults can be tracked across Service boundaries;

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b) changes to the POCL Services can be made speedily and accurately.

1.71. Requirement 538 - POCL Service Infrastructure - SMS: Synchronisation of Time

1.71.1. SMS shall provide a facility for synchronising the date and time across the POCL Services and the POCL Service Infrastructure. This shall cater for the handling of clock changes (e.g. at the beginning and end of British Summer Time).

For the avoidance of doubt, the POCL Services and the NBE may not have the date and time synchronised.

1.71.2. SMS shall permit Transactions to be processed using local time and/or GMT, and all the relevant elements of the POCL Service Infrastructure shall be able to derive both local time and GMT.

1.72. Requirement 539 - POCL Service Infrastructure - SMS: Reference Data Handling

1.72.1. SMS shall maintain Reference Data necessary to the operation of the POCL Service Infrastructure and the POCL Services.

1.72.2. SMS shall receive store and utilise Reference Data from sources outside the control of the Contractor (e.g. the POCL Reference Data System and Client systems).

1.72.3. It shall be possible to implement changes to Reference Data to tight timescales. As an example of such timescales, it shall be possible to implement Reference Data changes consequent on a Budget by start of business on the following day.

1.73. Requirement 540 - POCL Service Infrastructure - OPS: Equipment Environmental Considerations

1.73.1. The Contractor shall give due attention to the effects of the Equipment used in the provision of OPS on the environment during manufacture, installation and use. This includes:

a) use of CFCs;

b) energy consumption;

c) recyclability of components;

d) recyclability of consumables;

e) waste minimisation;

f) use of sustainable resources;

g) disposal of displaced equipment and waste;

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h) making appropriate use of recycled materials.

1.73.2. The Contractor shall adhere to relevant environmental legislation such as the Environmental Protection Act 1990 and publication 'Waste Management: The Duty of Care - A Code of Practice'.

1.74. Requirement 541 - POCL Service Infrastructure - TMS: Scaleability

1.74.1. TMS shall be scaleable to meet POCL's business needs from time to time.

1.74.2. This capability shall include the ability to support any Client Transactions re-engineered by POCL, new capabilities developed by POCL and considerable volumes of Transactions needing authorisation from a Client system or a central point in POCL.

1.75. Requirement 542 - POCL Service Infrastructure - OPS: Continued Support of Operating Systems, Middleware and Applications Software

1.75.1. The Contractor shall fully support the Software in the POCL Service Infrastructure during the life of the elements of the POCL Service Infrastructure on which such Software is utilised in providing the POCL Services.

1.76. Requirement 543 - POCL Applications - APS: Tokens

1.76.1. The APS shall support the following range of Tokens:

a) Landis & Gyr PISCES Smart Token;

b) GEC Meters WATERCARD Smart Token;

c) Schlumberger Smart Key for the water industry;

d) Schlumberger Smart Key for the electrical industry;

e) magnetic stripe card;

f) British Gas Quantum Smart Token;

g) bar coded documents

h) British Gas Trading SPM Smart Token.

1.77. Requirement 544 - POCL Applications - APS: Clients/Client Service Types

1.77.1. The Contractor shall provide the APS to POCL in respect of all its APS Clients listed in Appendix A of the document Automated Payments System Client List, PCL/PRD/APS/001.

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1.77.2. The Contractor shall provide the APS such that Clients or APS Client Service Types (which conform to generic APS) may be added to, modified or removed from, the APS on a regular basis.

1.77.3. The Contractor shall provide assistance to implement an interface to additional third party applications/Tokens if so required by POCL.

1.77.4. The Contractor shall provide technical assistance to support POCL's relationship with Clients and potential Clients.

1.77.5. The Contractor shall develop and maintain the APS in a generic way that enables additional APS Client Service Types to be added with minimum cost and disruption.

1.78. Requirement 545 - POCL Applications - APS: Documentation

1.78.1. The technical and overview documentation describing the APS is set out in the following documents which are entered on the list of Contract Controlled Documents:

a) Automated Payments Service Overview, reference AP/SER/001

b) AP Client Take on Process, reference AP/PRD/001.

1.78.2. The Contractor shall develop and maintain an AP Client Specification which specifies the details of each Client/Client Service Type of the APS, including but not limited to the Client interface specification, the presentation of information on OPS, the data involved and any necessary timings.

1.78.3. AP Client Specification contents shall include:

1. Client identity and overview

This section identifies the Client for whom a specific instance of the APS is to be provided and provides an overview of the Client's business objectives in relation to the APS.

2. Tokens and Methods of Payment

A description of the Token(s) that the Client requires its customers to use and the Method(s) of Payment that are acceptable to the Client.

3. Transaction data

- Contents;
- Validation;
- Sort/Substitution/Customisation;
- Batching;

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- Transfer.

4. Other data

- Contents;
- Validation;
- Availability.

5. Client service levels

1.78.4. All AP Client Specification documents will be the subject of the Change Control Procedure and will be entered on the list of Contract Controlled Documents when approved.

1.79. Requirement 546 - POCL Applications - APS: General Constraints

1.79.1. The Contractor shall deliver the APS using the POCL Service Infrastructure.

1.79.2. The Contractor shall make the APS available at all Counter Positions, subject to the limits contained in Annex 5 of Schedule A12, and at such other places where the POCL Service Infrastructure exists.

1.79.3. The Contractor shall ensure that the availability of each APS Client Service Type at each Outlet is individually controllable on authority from POCL.

1.80. Requirement 547 - POCL Applications - APS: Data Capture and Validation

1.80.1. The Contractor shall ensure that data are captured correctly, robustly, accurately, securely and as defined in the AP Client Specifications. Each AP Client Specification added from time to time will be introduced as a Contract Controlled Document through the Change Control Procedure.

1.80.2. The APS shall, as a minimum, validate data, whether read from Tokens or entered by the User, in accordance with a set of rules identified in:

a) POCL Automated Payments Generic Rules;

b) Token Technology Specifications;

c) the AP Client Specification.

1.80.3. The APS shall check data, whether read from Tokens or entered by the User, against any valid Client data or Reference Data for the Client Service Type (e.g. stop lists) and take the action prescribed in the relevant AP Client Specification or Token Technology Specification.

1.80.4. The APS shall display User instructions specific to a Client Service Type as identified in the relevant AP Client Specification.

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1.81. Requirement 548 - POCL Applications - APS: Transaction Committal

1.81.1. The APS shall commit the Transaction when:

a) monies have been accepted; or

b) a Transaction has been reversed; or

c) a Token has been issued; or

d) a Smart Token has been accessed (including an abandoned or enquiry Transaction).

1.82. Requirement 549 - POCL Applications - APS: Transaction Reversal

1.82.1. The APS shall enable the Reversal of committed Transactions if eligible for Reversal as defined in:

a) POCL Automated Payments Generic Rules;

b) Token Technology Specifications;

c) AP Client Specification.

1.82.2. The Contractor shall provide a secure and auditable process for dealing with such Reversals.

1.83. Requirement 550 - POCL Applications - APS: Update of APS Tokens

1.83.1. The APS shall write data to APS Tokens in accordance with the rules identified in the appropriate Token Technology Specification, AP Client Specification and POCL Automated Payments Generic Rules.

1.84. Requirement 551 - POCL Applications - APS: Receipting

1.84.1. The APS shall produce a Transaction receipt for each committed Transaction.

1.84.2. The Transaction receipt shall include, as a minimum, information sufficient to provide a Transaction audit, plus any other information identified in the appropriate AP Client Specification and Token Technology Specification.

1.84.3. The Transaction receipt produced for an APS Reversal Transaction shall identify it as a Reversal and identify the original (reversed) Transaction.

1.84.4. In the event of printer failure the APS shall provide information to enable a manually completed receipt to be produced.

1.84.5. The APS shall enable individual Outlets to produce bilingual receipts (Welsh/English).

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1.84.6. The APS shall support retrieval of Transaction information for the purpose of resolving Customer queries in the Outlets and this may be by retention of a duplicate receipt or by other means.

1.85. Requirement 552 - POCL Applications - APS: Transaction Collection / Delivery

1.85.1. The APS shall maintain and deliver committed Transactions to POCL and Clients in accordance with the following:

a) POCL Automated Payments Generic Rules;

b) the appropriate AP Client Specification;

c) Token Technology Specification.

1.86. Requirement 553 - POCL Applications - APS: Client Data Collection and Distribution

1.86.1. The Contractor shall ensure that Data Files from POCL and Clients are collected/received and validated in accordance with the relevant AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules.

1.86.2. The Contractor shall ensure that Data Files from POCL and Clients are available to all, groups of, or specific Outlets in accordance with the appropriate AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules.

1.87. Requirement 554 - POCL Applications - APS: Fallback and Recovery

1.87.1. The Contractor shall provide fallback facilities for the APS in situations when a User is unable to use part or all of the POCL Service Infrastructure (for whatever reason) and this provision shall maintain the integrity, auditability, security and levels of Customer service.

1.87.2. The Contractor shall ensure that following an Incident that adversely affects the integrity of APS data, the APS is automatically recovered to a known position and each User is able to identify what Transaction data have to be re-entered.

1.87.3. The Contractor shall ensure that following an Incident any previously recorded APS data which may have been corrupted are discarded.

1.87.4. The APS shall provide facilities for the re-input (Recovery) of previously captured Transaction data which have been lost following an Incident.

1.87.5. The APS shall provide facilities for the input (Recovery) of the details of Customer Transactions performed whilst the OPS was unavailable.

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1.87.6. The APS shall provide facilities to enable data Recovery to be achieved swiftly and in an auditable way.

1.87.7. The APS shall enable data Recovery to be achieved with minimal impact to Customer service.

1.87.8. The APS is not required to produce a receipt for recovered Transactions (a receipt would have been produced, either manually or automatically produced, at the time of the counter Transaction).

1.87.9. The APS shall facilitate the over-riding of certain validation rules for recovery Transactions, as specified in the POCL Automated Payments Generic Rules.

1.88. Requirement 555 - POCL Service Infrastructure - OPS: Capabilities on Initial Implementation

1.88.1. In each Outlet, at each automated Counter Positions, from Roll Out at such Outlet, OPS shall:

a) support the reading of track 2 from magnetic stripe cards complying with ISO 7811 parts 1-4;

b) support the reading from and writing to Smart Tokens complying with:

- ISO 7816 parts 1 and 2;
- and /or ISO 7816 parts 1, 2 and 3;

and be capable of supporting future applications complying with:

- ISO 7816 part 4.

c) support magnetic stripe cards and Smart Tokens that do not match the above standards in all respects (e.g. where embossing is not in the correct position, or the magnetic stripe does not adhere fully to the standards set out in paragraph 1.1) save to the extent specified in the Solution to this Requirement;

d) support the reading of one dimensional bar-codes. The maximum bar-code width to be read shall be 10.9 cm at a resolution of 9 mils. OPS shall support, at minimum code 128, EAN 8, EAN 13, code 39.

1.88.2. In each Outlet from Roll Out at such Outlet EPOSS shall:

a) support printing on manually fed pre-printed forms at the counter, for example Girobank summary forms G4631, G4632 and G4633;

b) support printing on cheques and other forms at the counter;

c) support printing of existing Client reports at the counter. This shall include printing in large fonts and printing with 90 degree rotation;

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d) support the connection of electronic weighing scales (which shall not be supplied under the Codified Agreement) to the POCL Service Infrastructure. As a minimum, connections shall include Avery Berkel type D104 and A702. It shall be possible to share a set of weighing scales between two or more Counter Positions at which the POCL Service Infrastructure has been installed;

e) support the printing of reports necessary to meet existing Client commitments;

f) support the printing of cash accounts and plain paper summaries;

g) support the printing of PDF417 two dimensional bar-codes on forms generated through back office processing. Typically the two dimensional bar-code shall be used to contain cash account information;

h) support the printing of one dimensional bar-codes at the counter on forms as well as tally roll print, if such support is provided for in the Solution to this Requirement. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable;

i) support the printing of one dimensional bar-codes at the back office, if such support is provided for in the Solution to this Requirement. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable.

1.88.3. In each Outlet, from Roll Out at such Outlet and deployment of PIN Pads at such Outlet, OPS shall:

a support the connection of PIN Pads

b support from those PIN Pads the reading from and writing to Smart Tokens which comply with:

- ISO 7816 parts 1, 2 and 3;
-

and be capable of supporting future applications complying with:

- ISO 7816 part 4.

The functionality described in "b" above is not used by the Existing Services on the NBS and is intended for use in future services which may be agreed under the Change Control Procedure

1.89. Requirement 557 - POCL Service Infrastructure - OPS: Flexibility

1.89.1. OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall have the flexibility for additional peripheral equipment to be added in the future, including input devices and printers.

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1.89.2. POCL shall have the option to add up to three types of additional peripheral equipment one of which shall be PIN Pads.

1.89.3. POCL shall have the option to require OPS to support the reading of OCR to interpret code lines on bills etc. If such option is exercised, the Charges for such Service shall be as set out in the Solution to this Requirement.

1.89.4. POCL shall have the option to require OPS to support the reading of two dimensional bar-codes. If such option is exercised, the Charges for such Service shall be as set out in the Solution to this Requirement.

1.89.5. POCL may, as an Additional POCL Service, require OPS and the elements of the POCL Service Infrastructure on which OPS is provided to be linked to teller cash dispensers. Such Additional POCL Service shall be subject to agreement with the Contractor.

1.90. Requirement 558 - POCL Service Infrastructure - OPS: Equipment Capacity

1.90.1. The OPS shall support the POCL imperative of keeping Transaction times to a minimum.

1.90.2. The OPS shall be capable of supporting the entire range of business transacted at Outlets for current volumes of business and volumes of business as projected by POCL.

1.91. Requirement 559 - POCL Service Infrastructure - OPS: Extent

1.91.1. OPS shall be provided in each Outlet.

1.91.2. OPS shall have the ability to support the automation of all Transactions performed at Counters Positions.

1.91.3. From Roll Out in each Outlet OPS shall be capable of supporting APS, OBCS and EPOSS in that Outlet.

1.92. Requirement 560 - POCL Service Infrastructure - OPS: Technology Refresh

1.92.1. POCL wishes to take advantage of changes in technology during the term of the Codified Agreement.

1.92.2. No change shall be made to the specification of equipment to be used within the POCL Service Infrastructure, without approval by POCL.

1.92.3. The specification of the equipment being used and installed within the POCL Service Infrastructure shall be reviewed by the parties at times reasonably agreed by them, to ensure that the most appropriate technology is deployed.

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1.93. Requirement 561 - POCL Service Infrastructure - OPS: Licence Indemnities

1.93.1. The Contractor shall indemnify POCL against any dispute of the Contractor's or POCL's right to utilise the Hardware, Software or any information used for any of the POCL Services (e.g. third party challenges with reference to licensing or Intellectual Property Rights). In the event of any such dispute, the Contractor shall ensure that there is no impact on the level of the POCL Services.

1.94. Requirement 691 - POCL Applications - EPOSS: Inventory Management

1.94.1. EPOSS shall support cash management by denomination and Stock management by Stock Item.

1.94.2. EPOSS shall support the recording of Transfers of cash and Stock into and out of the Outlet.

1.94.3. EPOSS shall provide a facility to allow the authorised update of cash and Stock held in an Outlet via the OPS.

1.95. Requirement 692 - POCL Applications - EPOSS: Methods of Payment

1.95.1. EPOSS shall accept single or multiple Methods of Payment as settlement.

1.95.2. EPOSS shall allow the implementation of new types of Methods of Payment, including without limitation debit cards and EFTPOS.

1.95.3. The Contractor shall indicate their proposals to implement an EFTPOS Service.

1.95.4. The Contractor shall be aware that:

a) POCL may require an EFTPOS facility as Method of Payment on EPOSS, probably just debit cards initially (e.g. Switch, Connect) but perhaps extending to credit cards later, (e.g. Visa and Mastercard). The capability to handle both debit and credit cards from commencement of such a facility;

b) indicative volumes for EFTPOS at 15th May 1996 were:

- between 30 and 50 million EFTPOS payments per annum;
- 70% above the floor limit (£15 working assumption) and so needing authorisation;

a) the main Transactions for which EFTPOS will be used are expected to be:

- motor vehicle licence renewals (34%), bill payments (38%, about half BT and half others);
- television licence payments (11%) and payment for purchases from PostShops (5%), all estimates;

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- other likely Transactions leading to EFTPOS are expected to include travel insurance and bureau de change and cash withdrawals;
- there would be no Cash-Back option initially;

b) business arrangements have not yet been finalised but the current assumptions are for:

- a single Merchant Acquirer;
- on-line authorisation and batch Transaction submission to be via TMS;
- reconciliation of EFTPOS payments on the EPOSS Transaction log with an electronic data stream version of the daily bank account updates;
- signed receipts may be stored in the Outlets, remitted to Distribution Centres or dispatched to a central facility (which the Contractor may wish to offer);
- POCL expects to need to retrieve receipts in order to prove Transactions at 0.2% or between 60,000 and 100,000 per annum at above volumes.

1.95.5. POCL requires guidance from the Contractor as to the options for EFTPOS on the particular facilities being proposed and the relative costs and benefits of each.

1.96. Requirement 693 - POCL Applications - EPOSS: Receipting

1.96.1. EPOSS shall allow production of a VAT receipt for Customers at the end of each Customer Session, but before the next Transaction is entered.

1.96.2. EPOSS shall allow automatic production of a non VAT receipt for Customers to support a specific POCL Service e.g. APS.

1.96.3. The Contractor shall agree the format of all styles of receipts with POCL by a date consistent with the Project Plan.

1.96.4. A bilingual Welsh/English receipt header and footer is required in designated Outlets.

1.96.5. EPOSS shall allow production of additional (duplicate) receipts and they shall be marked as such.

1.97. Requirement 694 - POCL Applications - EPOSS: Data Capture

1.97.1. The Contractor shall provide a point of sale / "Till" function to record all sales.

1.97.2. Data shall be automatically recorded in EPOSS if captured during another POCL Service at the point of sale.

1.97.3. EPOSS shall allow the manual input by the User of weight values where scales are not linked.

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1.97.4. EPOSS shall be event driven so that both data capture and the recording of POCL Services are dynamic (e.g. the swiping of a magnetic stripe card initiates the Transaction).

1.97.5. EPOSS shall have the facility to read data from any input device supplied as part of the POCL Service Infrastructure used in providing OPS.

1.98. Requirement 695 - POCL Applications - EPOSS: Stock Unit Control

1.98.1. EPOSS shall provide the facility to adjust cash and Stock levels within a Stock Unit to reflect the actual levels on hand.

1.98.2. EPOSS shall provide each Outlet with the flexibility to set up Stock Unit(s) according to the local working practice requirement.

1.98.3. Within EPOSS there shall be a Stock Unit management facility at Outlet level to change Stock Unit options and assignments.

1.98.4. The Contractor shall be aware that Stock Units are individual units of accountability which contain Stock (fixed price Stock Items, Customer and Client specific Tokens, retail Stock Items, cash and Transaction Vouchers for a POCL Outlet Accounting Period.

1.98.5. EPOSS shall allow a User or group of Users to be accountable for a Stock Unit, so that each Outlet has at least one Stock Unit, but there can be other Stock Units, effectively operating independently.

1.98.6. Each Stock Unit can in turn be tied to both a User or group of Users or a single Till or group of Tills.

1.98.7. EPOSS shall allow each Stock Unit to be Balanced individually. The Stock Unit may be Balanced more than once within a POCL Outlet Accounting Period. Cash and Stock Items shall be entered by denomination or Stock Item level. This applies whether or not multiple Tills are linked to a single Stock Unit.

1.98.8. At the end of the POCL Outlet Accounting Period an Outlet Balance is struck with the details provided by the Balanced Stock Units.

1.98.9. An Outlet brings to account manual voucher Transactions including Transaction Vouchers, automated voucher Transactions including Transaction Vouchers, reports the Suspense Account position and the Stock and cash totals within the approved Cash Account format.

1.98.10. The cycle is repeated in the new POCL Outlet Accounting Period with an Outlet Balance brought forward value that includes the Stock and cash in hand, Suspense Account and loss and gain position from the previous POCL Outlet Accounting Period.

1.98.11. EPOSS shall provide a secure mechanism for controlling access to a Stock Unit.

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1.99. Requirement 696 - POCL Applications - EPOSS: Reporting

1.99.1. EPOSS shall allow production of a daily Report that shows, at Outlet level, the cash holdings by individual denomination of bank note and coin. The format of the report shall be agreed by POCL and the Contractor by a date consistent with the Project Plan.

1.99.2. EPOSS shall support the summarisation of daily and weekly Transaction Vouchers at Stock Unit level.

1.99.3. EPOSS shall support a reporting facility to print on Client cut sheet stationery where the Client requires it (including without limitation Girobank daily summaries).

1.99.4. The Contractor shall be aware that Girobank is only an example - POCL needs to keep the flexibility to print on other cut sheets e.g. tax discs/cheques in due course.

1.99.5. The format of all styles of receipts shall be agreed by POCL and the Contractor by a date consistent with the Project Plan. A bilingual Welsh/English version is required in designated Outlets.

1.99.6. EPOSS shall allow production of duplicate receipts and they shall be marked as such.

1.99.7. EPOSS shall support a reporting facility to print on Client cut sheet stationery to support Girobank and the Postmaster's Daily Record (PDR) summarisation.

1.99.8. EPOSS shall support reporting by journal/tally roll and on A4 sheets to Client requirements at both Stock Unit and Outlet levels, with the format to be agreed by a date consistent with the Project Plan.

1.99.9. EPOSS shall allow reporting to be previewed on screen.

1.100. Requirement 697 - General - Audit: Access

1.100.1. The Contractor and his sub-contractors shall keep or cause to be kept Records (including financial records) of all Services, covering materials and POCL Services provided, timesheet records, contracts let to sub-contractors and Charges levied to POCL. These Records shall not be more detailed than those held by the Contractor for its own audit purposes.

1.100.2. The Contractor shall permit POCL or POCL'S representatives (including those bodies listed in paragraph 2.1 of Schedule A03) unrestricted access to the Records for the purpose of auditing and reporting on the performance, including charging and accounting aspects, of the POCL Services.

1.100.3. Such access shall be provided on request and shall include access to premises, facilities, Services, documentation, information (magnetic or otherwise), staff, procedures, timesheets and other data used directly as a basis for charging belonging to the Contractor which relate to the provision of the POCL Services.

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1.100.4. The Contractor shall implement audit recommendations in accordance with provisions of the change control procedures.

1.100.5. The Contractor shall provide within reasonable timescales either documentary or demonstrable evidence of such changes and shall if required provide access to the POCL'S representatives to monitor and confirm the implementation of such changes.

1.101. Requirement 698 - General - Security: Policy

1.101.1. The Contractor shall minimise and control liabilities to itself and POCL.

1.101.2. The Contractor shall, by a date consistent with the Project Plan, set up an organised security infrastructure covering:

a) the agreement of a security policy;

b) allocation of security responsibilities;

c) security education and training;

d) reporting security incidents;

e) physical security control;

f) virus control;

g) business continuity;

h) control of Software;

i) safeguarding POCL records;

j) information classification;

k) compliance with data protection and other legislation;

l) information exchange control;

m) Contractor's sub-contractors and suppliers;

n) compliance with security policy;

o) the management of fraud and risk during service operation.

1.101.3. The Contractor shall be compliant with ISO: 17799.

1.102. Requirement 699 - General - Audit: Trail

1.102.1. An audit trail shall be maintained during periods of POCL Service operation including fallback and Recovery.

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1.102.2. The audit trail shall record all Data File transfer, messaging and processing, whether as a result of manual or automated action.

1.102.3. The information recorded shall be sufficient to identify the action, by whom it was undertaken, when it was undertaken, why it was undertaken, where it was undertaken and the resulting outcome.

1.102.4. The audit trail shall allow activities that utilise more than one of the POCL Services to be traced across the POCL Services from start to finish, or from an intermediate POCL Service in any direction, with certainty.

1.102.5. The audit trail shall provide information to allow the original Transaction to be recreated.

1.102.6. The content of the audit trail shall be agreed with POCL by a date consistent with the Project Plan.

1.102.7. Subject to Clause 801, audit trail records for Existing Services shall be retained for a period consistent with Companies Act requirements, or for a period of at least eighteen (18) months, whichever is longer.

For NBS, audit trail records shall be retained for 7 years.

1.102.8. The audit trail shall be available for inspection by POCL or their representatives as listed in paragraph 2.1 of Schedule A03.

1.102.9. The audit trail shall have a level of security such that it cannot be altered or deleted.

1.102.10. The integrity of the audit trail shall be continued during periods of partial or complete service loss or failure.

1.102.11. The audit trail shall comply with Requirement 829.

1.102.12. Technological changes to the POCL Services or the POCL Service Infrastructure shall not render the audit trail unusable.

1.103. Requirement 799 - POCL Applications - APS: Token Issue

1.103.1. The Contractor shall provide a facility that permits the issue at Outlets of replacement APS Tokens and APS Tokens for new Customers, as directed by POCL.

1.104. Requirement 800 - POCL Applications - EPOSS: Serve Customers (A)

1.104.1. EPOSS shall support the recording of all Transactions between the Customer and the User.

1.104.2. EPOSS shall allow the selection of Customer Sessions to allow for:

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a) normal Customer service; or

b) a Refund; or

c) a Reversal.

1.104.3. EPOSS shall uniquely identify a Customer Session and each Transaction within the Balancing Period.

1.104.4. EPOSS shall allow Customer Session completion to be implemented in a way to encourage a 'one Customer one session' rule.

1.104.5. EPOSS shall provide a cash tendered facility to calculate change due to the Customer. Use of this feature shall be at the discretion of the User and not forced by EPOSS.

1.105. Requirement 801 - POCL Applications - EPOSS: Product Styles

1.105.1. EPOSS shall support the current range of business performed within Outlets e.g.

a) Value Stock;

b) Method of Payment;

c) a counter shortage known as a "loss";

d) a counter overage known as a "gain";

e) a POCL Product;

f) an inpay supported by a Client voucher (receipt);

g) an outpay supported by a Client voucher (payment).

1.105.2. EPOSS shall support the Customer Transaction by price type as follows:

a) fixed price - where the price is held by EPOSS; or

b) variable price (open) - where the User enters the actual price. If the valid range excludes zero the User is forced to enter a non zero price; or

c) variable price (default) - where the default price is non zero. The User can either accept this price or overtype to change it within the valid range.

1.105.3. Where necessary Composite Products shall be declared at individual denomination or item level by the User as part of the Balancing activity.

1.106. Requirement 802 - POCL Applications - EPOSS: Value Stock Management

1.106.1. EPOSS shall maintain the current Stock record for Value Stock items and Methods of Payment to reflect the Transactions completed, e.g. if a postal order and the

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Associated Fee are sold for cash the Stock of the former is decreased and that of the cash is increased.

1.106.2. EPOSS shall allow compensatory corrections of errors to be made without the need to perform a Reversal or a sale.

1.107. Requirement 803 - POCL Applications - EPOSS: Data Resilience

1.107.1. EPOSS shall accurately maintain data and record all Transaction Sessions as double entries.

1.107.2. If EPOSS is interrupted or fails during a Customer Session the POCL Service Infrastructure shall ensure that data capture is resilient and consistent with the need to retain a balanced status.

1.108. Requirement 804 - POCL Applications - EPOSS: Transaction Log / Inspection

1.108.1. A journal of all Transaction data shall be available to allow the User to refer back to a previous Transaction.

1.108.2. EPOSS shall provide a Transaction log for any Balancing Period in the POCL Outlet Accounting Period to allow the User to refer back to a previous Transaction.

1.108.3. The Transaction log may be used in conjunction with a Transaction Reversal by the User to identify the unique Transaction Id.

1.108.4. The Transaction log shall be easily accessible to the User for the resolution of enquiries.

1.109. Requirement 805 - POCL Applications - EPOSS: Audit / Event Log and Inspection

1.109.1. EPOSS shall maintain a log of Transactions attempted and actioned at Stock Unit level.

1.109.2. EPOSS shall provide an audit/Event log for any Balancing Period in the current POCL Outlet Accounting Period by Stock Unit.

1.109.3. EPOSS shall provide a facility to allow the User to inspect activities on the Stock Unit within the POCL Outlet Accounting Period so that, without limitation all attempts to access a Stock Unit can be detected.

1.109.4. The audit/Event log shall be readily available to the User for the resolution of enquiries.

1.110. Requirement 806 - POCL Applications - EPOSS: Set Date and Time

1.110.1. The date and time within EPOSS shall be accurately maintained and remain in step with Greenwich Mean Time and/or British Summer Time as appropriate.

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1.111. Requirement 807 - POCL Applications - EPOSS: Transfers between Stock Units

1.111.1. EPOSS shall allow the movements of Value Stock Items and Methods of Payment into and out of Stock Units within the same Outlet to be recorded.

1.111.2. The data recording a movement shall be entered in a Transaction Session similar to a Customer Session except that the session total comes to the Transfer total rather than to zero. However, EPOSS shall adjust overall item Stock levels when the data entry session is complete so that the "balance" of the Stock Unit is maintained.

1.111.3. Each movement is entered to the current Balancing Period for the Stock Unit.

1.112. Requirement 808 - POCL Applications - EPOSS: Outlet Balance

1.112.1. EPOSS shall provide a facility to reconcile Non-value Stock Stock Items with unique serial numbers.

1.112.2. Reconciliation shall be by volume and by Stock Unit as:

a) number on hand at the start of the POCL Outlet Accounting Period (plus);

b) number received (equals);

c) number on hand at close of POCL Outlet Accounting Period (plus);

d) number issued/spoilt/returned.

1.112.3. EPOSS shall provide a Suspense Account facility where items that cannot be cleared operationally during one POCL Outlet Accounting Period can be identified and carried forward to the next.

1.112.4. EPOSS shall provide an on demand Outlet Balance Report to a POCL agreed format, this format shall be agreed by a date consistent with the Project Plan. This Report shall provide a "snap shot" of the Outlet position within the current POCL Outlet Accounting Period.

1.113. Requirement 809 - POCL Applications - EPOSS: Customer Session

1.113.1. Within a Customer Session EPOSS shall maintain:

a) a running record of all Transactions performed;

b) the current balance;

c) the accounting sense (pay out/take in);

d) settlement details.

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1.113.2. Multiple Transactions for the same Customer shall be logically grouped into a single Customer Session.

1.114. Requirement 810 - POCL Applications - EPOSS: Transaction Rules

1.114.1. EPOSS shall allow the Refund or Reversal of a Transaction according to Client and POCL accounting and business rules as agreed between the parties from time to time. EPOSS shall enable certain Transactions not to be refundable or reversible to comply with any changes to the Client and POCL accounting and business rules as agreed with POCL from time to time.

1.114.2. EPOSS shall be able to validate Transaction details against Reference Data.

1.114.3. EPOSS shall provide the ability to Rate Shop against a value input for a fixed price POCL Product.

1.115. Requirement 811 - POCL Applications - EPOSS: Data Transmission

1.115.1. EPOSS shall allow TMS to pass all recorded information to authorised remote locations (e.g. TIP).

1.115.2. EPOSS shall be flexible enough to support the introduction of new POCL Services for Clients in an integrated manner and ensure that any new POCL Product can be added, and that EPOSS is automatically updated.

1.116. Requirement 812 - POCL Applications - EPOSS: Transaction Reversal

1.116.1. EPOSS shall allow Reversals for Customer Transactions and Transfers either within the Outlet or to a remote location.

1.116.2. EPOSS shall allow Reversals to be entered for normal Transactions (but not for Reversals) as follows:

1.116.3. only for Customer Transactions which are not part of other POCL Services (e.g. APS, NBS) or disallowed in Reference Data supplied by POCL to the Contractor from time to time.

1.116.4. EPOSS shall permit Users to enter a Reversal which needs not correspond to a particular Transaction on the Transaction log identified by the User according to Client and POCL accounting and business rules as agreed between the parties from time to time.

1.117. Requirement 813 - POCL Applications - EPOSS: Revaluation of Value Stock

1.117.1. EPOSS shall allow revaluation of fixed price Value Stock Stock Items and Methods of Payment when the price changes.

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1.117.2. (Note: While price changes would not normally apply to Methods of Payment, it is a desirable feature in case of future alternative currencies, e.g. the "Euro". However, the remainder of this requirement is written in terms of Value Stock.)

1.117.3. When a price changes for a fixed price Value Stock Stock Item, the Stock value must change to maintain the relationship Stock value = Stock quantity x price. The change in Stock value must be "balanced" by one or more Transactions for designated POCL Products (and thence reported on designated Cash Account lines). Thus the requirement for maintaining an equal and opposite effect on the Stock Unit is maintained.

1.117.4. EPOSS shall allow efficient revaluation of multiple Value Stock Stock Items of the same generic type e.g. postal order fees.

1.117.5. EPOSS shall ensure that only Value Stock Stock Items allowed in Reference Data provided by POCL to the Contractor from time to time can be accessed.

1.118. Requirement 814 - POCL Applications - EPOSS: Enter Cash on Hand

1.118.1. EPOSS shall provide a function to record the value of cash held in the Stock Unit by denomination for two distinct purposes:

a) as part of the Cash Flow Reporting process;

b) as part of the Stock Unit Balancing process.

1.118.2. The dialogue to record the information screen may be common for both activities to avoid unnecessary duplication when Balancing.

1.118.3. The Cash Flow/Balancing reporting process aspect of EPOSS may be used at any time but is normally used daily as part of the end of day activity.

1.118.4. The EPOSS shall allow entry by cash value for each denomination and total value declared (EPOSS validating each field entry as numeric). The total entered is used in the Stock Unit Balance Report and the difference between this total and the EPOSS maintained figure for the cash Method of Payment Stock value generates a loss or gain.

1.118.5. The EPOSS maintained Stock value for the cash Method of Payment is not altered during the process. The User is advised of any discrepancy to warn of potential errors and (in Balancing) the implied balancing loss or gain.

1.118.6. A zero cash holding is declared by using the function in the normal way and confirming zero entries.

1.118.7. EPOSS shall allow the last known declaration to be carried forward for Cash Flow reporting purposes where no activity has occurred to change the last known cash position. This is required to cater for rest days including Outlets that shut on Saturdays etc.

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1.118.8. In Outlets that Team Work EPOSS shall allow cash declaration across all the Tills that contribute to the Stock Unit position.

1.119. Requirement 815 - POCL Applications - EPOSS: Process Dormant Stock Units

1.119.1. EPOSS shall allow a facility to bring unused Stock Units (and their Stock Unit information) forward into the next POCL Outlet Accounting Period.

1.119.2. An unused Stock Unit is one for which no activity has taken place since its most recent final Balance.

1.119.3. This facility may be used at any time to ensure that all Stock Units registered in an Outlet are recorded as fully up to date, prior to producing the Cash Account for that POCL Outlet Accounting Period.

1.119.4. The co-ordination of this activity is under the control of the Outlet Manager.

1.120. Requirement 816 - POCL Applications - EPOSS: Audit

1.120.1. A complete set of Outlet Records, for a rolling period of 18 months, shall be maintained as available for retrieval and review (but not amendment).

1.120.2. On retrieval all Records shall be packaged in weekly batches as a complete POCL Outlet Accounting Period cycle.

1.120.3. Outlets require record retrieval on demand for the previous two (2) complete POCL Outlet Accounting Periods. Older records shall be made available at 24 hours notice.

1.120.4. EPOSS shall support the recording of all Events and data entries including fallback and Recovery actions.

1.120.5. EPOSS requires entry of User identity and password to access the Service.

1.120.6. Each facility within EPOSS shall have an associated User authority level (clerk, supervisor, manager). EPOSS shall also provide reasonable safeguards against accidental or deliberate access by other than the normal means to Software or data.

1.120.7. Within an Outlet there shall be a facility to maintain and allocate a User access and privilege level log.

1.121. Requirement 817 - POCL Applications - EPOSS: Discounting

1.121.1. EPOSS shall allow discounting for all discountable POCL Products. A list of discountable POCL Products shall be maintained in Reference Data supplied by POCL.

1.121.2. EPOSS shall allow discount by an entered percentage for the last Transaction or for all discountable POCL Product Transactions in the Customer Session.

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1.121.3. EPOSS shall allow discount by an entered value for the last Transaction or for all discountable POCL Product Transactions in the Customer Session.

1.122. Requirement 818 - POCL Applications - EPOSS: Reference Data

1.122.1. EPOSS shall provide a facility to update Reference Data files with Reference Data supplied from the POCL Reference Data System. It shall be possible for a date and time stamp to be applied to Reference Data identifying when the change is to be activated, to facilitate timely price changing.

1.122.2. EPOSS shall allow the Reference Data content to be presented as a locally produced Report, with changes made in Reference Data by the most recent update clearly identified. When an update to Reference Data is made, each affected local Outlet shall be warned by EPOSS at the start of the next POCL Core Day that a change has been made.

1.122.3. Reference Data to support local products will be controlled centrally in the same manner as for national products.

1.122.4. EPOSS shall allow each Outlet to produce various formatted outputs including but not limited to the Cash Account and the Cash Flow Report. Other reporting shall be agreed between the parties during the Operational Trial.

1.122.5. Changes to the internal reporting structure within current principles shall be possible by Reference Data rather than by Software update.

1.122.6. EPOSS shall support, through POCL Reference Data, the introduction and maintenance of a POCL Product in line with agreed Client requirements and POCL accounting practices.

1.122.7. EPOSS shall be a robust Service, including features to:

a) check internal consistency, reporting errors, warning of non critical errors and preventing critical errors;

b) refuse deletions if there is dependent business data which would lead to inconsistency of data within the POCL Service Infrastructure;

c) make Reference Data available at the counter terminals;

d) check Reference Data consistency and report exceptions.

1.123. Requirement 819 - POCL Applications - EPOSS: The Outlet Trial/Final Cash Account

1.123.1. EPOSS shall sustain a dynamic set of Cash Account tables that allows Outlets to introduce additional reporting lines as new products are introduced within POCL. More than one Cash Account format shall be supported and currently there are two in use (which shall both be supported) - standard Outlet format and CRU format. Validation rules could be applied to individual line entries.

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1.123.2. A Report shall be available in each Outlet that maps Reference Data of POCL Products to the appropriate line(s) of the Cash Account table(s).

1.123.3. EPOSS shall provide a facility to input Cash Account details including week end date and week number. Under certain authorised circumstances an authorised Outlet may produce one Cash Account to span a 2 or 3 week period and this must be managed by EPOSS. Within this variation there is a requirement to correctly associate the week number with a specific Transaction according to a Client's requirements. This is one of either:

a) the week in which the Transaction took place or;

b) the final week in which the Cash Account is produced.

1.123.4. EPOSS shall support the production of the Cash Account in printed and electronic formats. The printed Cash Accounts shall include a 2D bar code. The electronic Cash Accounts shall be transmitted to TIP.

1.123.5. EPOSS shall allow Users to produce trial Outlet Cash Accounts.

1.123.6. EPOSS shall provide a facility to move forward into the next POCL Outlet Accounting Period once a final Cash Account has been produced.

1.124. Requirement 820 - POCL Applications - EPOSS: Fallback and Recovery

1.124.1. EPOSS shall provide a means of controlling User access to its data, processes, and functions (see also requirement 816).

1.124.2. EPOSS shall include fallback procedures for situations where the User cannot use the POCL Service Infrastructure for any reason. These facilities shall maintain the integrity, security and levels of Customer Service consistent with the need to maintain trading.

For the avoidance of doubt, fallback procedures shall not be provided for NBS to allow local processing where connection to the NBE has failed.

1.124.3. EPOSS shall ensure that, following an Incident, or if operationally desirable for any other reason:

a) the User can return to a complete and recent position;

b) no corruption of secured data has occurred; and

c) a full Recovery can be effected swiftly and in an auditable manner.

1.124.4. EPOSS shall back up Stock Unit and Outlet data in order to support the ability to return to a recent known position for fallback and Recovery. Depending on the specific solution, there may be times within the Cash Account cycle (pre/post Cash Account roll over) when local control of back up is required.

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1.124.5. EPOSS shall allow Recovery of data to a known recent position. This includes both the Outlet and individual Stock Unit data where necessary to maintain integrity of the EPOSS. Recovery should not itself constitute a risk e.g. a one shot only option. Thus in the event of a power down / power interruption during a Recovery activity further Recovery attempts can be made later.

1.124.6. EPOSS shall ensure that the committal process for a Transaction is robust and consistent across all Transaction types so that an interruption does not result in an unrecoverable error.

1.124.7. EPOSS shall ensure that in the event of a failure of any part of the POCL Service Infrastructure, Recovery can be performed to a known position and with the minimum of disruption to the User. Data re-entry shall be minimal where previously committed Transactions have to be re-entered.

1.124.8. EPOSS shall warn the User where there is the possibility that data are corrupt.

1.125. Requirement 821 - POCL Applications - EPOSS: Business Rules

1.125.1. EPOSS shall be flexible enough to provide the ability to define the Transaction range available at specific Outlets, including:

a) preventing specific Transactions from being available locally (by Outlet);

b) declining to use specific non-mandatory Transactions locally (by Outlet);

c) modifying specific POCL Products, where allowed in Reference Data provided from time to time to the Contractor by POCL, for specific Outlets.

1.125.2. EPOSS shall be flexible enough to introduce new functionality as agreed with POCL.

1.125.3. EPOSS shall provide facilities to:

a) prepare EPOSS Transaction data and EPOSS processed data for export to; and

b) import data from other systems outside the POCL Service Infrastructure.

1.126. Requirement 822 - POCL Applications - EPOSS: Interface with Inventory Management

1.126.1. The POCL Service Infrastructure shall be designed such that it can interface into any POCL inventory management systems, and shall have sufficient capacity not to preclude such interfacing.

1.127. Requirement 823 - POCL Applications - EPOSS: Data Management

1.127.1. EPOSS shall make Transaction and process data captured through EPOSS available to any POCL Service delivered through the medium of the OPS and specified by POCL as requiring access to data.

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1.127.2. EPOSS shall ensure that, in the event of an Incident, data integrity is maintained and that no corruption of data is introduced arising from the interruption of any uncompleted activity.

1.128. Requirement 824 - POCL Applications - EPOSS: Weighing Scales

1.128.1. Where an Outlet has electronic scales connected to the OPS, EPOSS shall provide the price for a particular weight of package (provided by the scales), with the contention being handled by the scales accepting or denying a connection by a counter terminal.

1.128.2. The OPS shall request the scales only when needed and can only proceed with the scales associated POCL Service if the scales accepts its request. The OPS shall release the scales as soon as it has finished with them.

1.129. Requirement 825 - POCL Applications - EPOSS: Serve Customer (B)

1.129.1. EPOSS shall provide a function to record all sales.

1.129.2. EPOSS shall be event driven so that both data capture and the recording of POCL Services such as APS are dynamic.

1.129.3. All counter Transactions shall be associated with a Customer Session. Multiple Transactions for the same Customer shall be logically grouped into a single Customer Session.

1.129.4. Data shall be automatically recorded in EPOSS if captured during another POCL Service e.g. APS, OBCS or NBS.

1.129.5. Within a Customer Session EPOSS shall maintain:

a) a running record of all Transactions performed;

b) the current balance;

c) the accounting sense (pay out/take in);

d) settlement details.

1.129.6. EPOSS shall accept single or multiple Methods of Payment as settlement.

1.129.7. EPOSS shall provide the flexibility to allow the implementation of new Methods of Payment including EFTPOSS and debit cards.

1.129.8. EPOSS shall allow a Customer Session to be suspended and then recalled for completion later. In between the User shall be able to continue to enter and complete further sessions as required. A Customer Session cannot and shall not be suspended at a Counter whilst a Banking Transaction is in progress.

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1.129.9. EPOSS shall provide a Void Transaction facility. EPOSS shall enable the use of this facility for certain Transactions to be prohibited according to defined Client and POCL accounting and business rules.

1.129.10. EPOSS shall allow the Refund or Reversal of a Transaction with access maintained at User level. Note that certain Transactions shall not be refundable or reversible to comply with Client and POCL accounting and business rules.

1.129.11. Some POCL Products are linked and shall remain so within a Transaction, including for Refund/Reversal or voiding purposes, for example a postal order of £1.00 has, currently, an Associated Fee of 25 pence. As part of this linkage, certain Stock Items with no current price shall be re-classified as Value Stock Stock Items e.g. tax discs.

1.129.12. EPOSS shall have the facility to accept data, via the POCL Service Infrastructure, from a variety of media such as, Tokens, keyboard, electronic scales, bar codes and to add functionality to accept data from other approved peripheral devices.

1.129.13. EPOSS shall allow the input of weight values where scales are not linked.

1.129.14. EPOSS shall be flexible enough to support the introduction of new POCL Services for Clients in an integrated manner and thereby ensure that any new POCL Product is event driven and that EPOSS is automatically updated.

1.130. Requirement 826 - POCL Service Infrastructure - OPS: Future Flexibility for Sharing of Specialist Peripherals

1.130.1. OPS, and the elements of the POCL Service Infrastructure on which OPS is provided, shall be able to be connected, and shall support such connection, to specialist peripherals in such a way that the specialist peripherals may be accessed by one, two or more terminals. This capability shall not be applicable to PIN Pads.

1.130.2. In such a case it shall be possible to restrict access to a subset of the terminals in each Outlet.

1.131. Requirement 827 - POCL Service Infrastructure - OPS: Ability to Maintain Authorisation Data

1.131.1. It is likely that, in due course, re-engineered POCL Products shall require specific authorisation, either through access to a computer system external to the POCL Services or within the POCL Services.

1.131.2. The POCL Services and the POCL Service Infrastructure shall be able to be developed to support the maintenance and use of:

a) stop lists;

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b) go lists;

c) other authorisation types;

in relation to such POCL Products.

1.131.3. The POCL Services and the POCL Service Infrastructure shall support such authorisations through access to external computer systems.

1.132. Requirement 828 - General - Security: Data Security

1.132.1. The confidentiality, integrity, validity and completeness of data shall be maintained throughout all storage, processes and transmissions, including during periods of Service Failure and recovery from Service Failure.

1.133. Requirement 829 - General - Security: Prosecution support

1.133.1. The Contractor shall comply with all prosecution support obligations specified in Schedule A02

1.134. Requirement 830 - General - Security: Contingency Plans

1.134.1. The Contractor shall ensure that all POCL Services are supported by contingency plans including fallback Transactions that minimise or negate the impact of failure in any of the POCL Services. There shall be no fallback Transactions for NBS. As specified in the N Schedules there shall be a process for recovery of incomplete transactions in the event of counter failure.

1.134.2. The Contractor shall ensure that the contingency plans for each POCL Service are compatible with an overall service continuity framework.

1.134.3. The contingency plans shall be based on impact and risk assessments and agreed between the Contractor and POCL by a date consistent with the Project Plan.

1.134.4. Ownership of all contingency actions shall be identified in the contingency plans..

1.134.5. The contingency plans shall include activation procedures and time periods within which the contingency measures shall be activated.

1.134.6. The contingency plans shall include a testing strategy with three distinct parts:

a) Initial testing before commencement of Roll Out of Existing Services;

b) Initial testing of NBS prior to live operation of NBS as set out in Schedule N09.

c) Regular testing

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1.134.7. The contingency plans shall include without limitation the following:

a) prevention measures;

b) preparedness measures;

c) contingency measures;

d) Recovery of normal service;

e) contact lists.

1.134.8. The contingency plans, the scheduling of regular tests and the review of such tests shall be subject to joint periodic review by the Contractor and POCL during a quarterly Service Management Review meeting or separately as the result of an action agreed at one of the quarterly Service Management Review meetings.

1.134.9. When contingency operation is invoked as a result of a fault of the POCL Services provided by the Contractor, then the provisions of Schedules E08, F08, G10, H08, K08 and N08 shall continue to apply.

1.135. Requirement 831 - End to End Service - POCL Interfaces

1.135.1. The Contractor shall support the interfaces between (i) the services that run POCL systems and (ii) the POCL Services and the POCL Service Infrastructure Service, as such interfaces are defined in the POCL Interfaces documentation maintained by POCL. These shall include:

a) interfaces from TMS and Outlets to Transaction Information Processing (TIP);

b) interfaces between the POCL operated service that runs the POCL Reference Data System and the POCL Services;

c) interfaces between Outlets, TMS and Clients;

d) TIP / TMS interface for authorisation data:

- provide the capability for reconciliation between POCL and its Clients by ensuring TIP receives a copy of all original authorisation data via TMS as specified on an individual Client basis by POCL;

e) interface between POCL SAPADS and TMS;

f) Interface between POCL Service Infrastructure and NBE.

1.135.2. The POCL Interfaces documentation shall cover: data content in logical groupings, physical layouts, controls (including security), timings, volumes, technical interface specifications (initially options and constraints), configuration management, and contingency arrangements. Versions of the POCL Interfaces documentation containing the then existing interfaces shall be made available to the Contractor within three (3) months after 15th May, 1996.

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1.135.3. The POCL Interfaces documentation shall not initially cover further potential interfaces in respect of:

a) EFTPOS;

b) reconciliation and exception reporting;

c) operational management information;

d) performance monitoring;

e) inspection of Transaction and Event logs for audit and security purposes;

f) [not used];

g) transitional arrangements in relation to 'cash account processing'.

1.135.4. The format of each interface shall be specified in a Contract Controlled Document. Such specifications for interfaces added from time to time shall be introduced through the Change Control Procedure.

1.136. Requirement 832 - POCL Applications - EPOSS: Business Processes

1.136.1. The Contractor shall agree with POCL, before commencement of Roll Out of EPOSS, the overall business processes at the counter such that:

a) the capture of data at the Outlet is complete, accurate and robust e.g. a unique Transaction reference;

b) any transfer of data is secure, complete, accurate and robust;

c) whether operating normally or in stand-alone mode the EPOSS shall be capable of validating Transactions by format and value;

d) in the event of fraud it shall be possible to prove that the POCL Service was operating without defect (see Requirement 829); for appropriate Transactions receipts are automatically generated for Customers and a copy retained in the Outlet to allow recovery or problem resolution;

e) accountability for cash, Stock and any supporting documentation is maintained by Outlet and User where appropriate;

f) the Method of Payment is recorded at the point of sale;

g) the access control system allows segregation of responsibilities. A log of Users and the functions to which they have access shall be available to Outlet managers;

h) a back up of all Transactions shall be taken each day;

i) User and device are uniquely identified within each Outlet;

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j) data shall undergo a balancing procedure to enable a final review and authorisation;

k) Transaction data shall be made available to other services as agreed in each AP Client Specification and the "Pathway to TIP Application Interface Specification", and other POCL Services;

l) Transaction data not delivered in accordance with the above shall be clearly identifiable;

m) all Transactions can be reconciled to an appropriate supporting voucher and where necessary these vouchers are to be available for central validation of amounts collected;

n) an up to date record of cash and Value Stock on hand shall be maintained and current balances can be reported;

o) all transfers of Stock and cash to and from other Outlets and between Users within an Outlet shall be clearly recorded;

p) all specified summaries shall be produced automatically when required and all Transactions shall be included since the last summary was completed;

q) items posted to Suspense Accounts can be identified for future investigation;

r) information to show compliance with the relevant legislation, including without limitation Health and Safety at Work Act, Data Protection Act, Companies Act is available;

s) an Outlet shall be able to continue operating and to maintain an audit trail in the event of any failure of the POCL Service Infrastructure.

1.137. Requirement 833 - POCL Applications - EPOSS: Training Mode

1.137.1. EPOSS shall provide a training mode to allow familiarisation with the package and shall operate in such a way as to preclude any corruption of live data.

1.138. Requirement 834 - POCL Applications - EPOSS: Transitional / Contingency Arrangements

1.138.1. The Contractor shall ensure that contingency arrangements are available for all Outlets both during and after Roll Out of EPOSS to such Outlets.

1.138.2. [not used]

1.138.3. To provide contingency cover during and after Roll Out, EPOSS shall enable each automated Outlet to produce plain paper summaries to a format which shall be agreed by a date consistent with the Project Plan.

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1.138.4. The element of the POCL Service Infrastructure at every Outlet shall be capable of printing a 2 dimensional bar-code on any plain paper summary.

1.139. Requirement 835 - POCL Applications - EPOSS: EPOSS Related

1.139.1. Benefits encashment and other Automated Transactions shall be integrated with the Transaction recording elements of EPOSS such that:

a) there is no necessity to separately notify the EPOSS of the Transaction;

b) there is a single Transaction Record created and stored locally to provide the basis for Outlet summarisation and Balancing and Transaction level data transfer;

c) Transaction Records created and stored locally shall be entirely consistent with any data transferred at the time of the Transaction to other systems outside the POCL Service Infrastructure;

d) Transaction times are kept to a minimum.

1.139.2. EPOSS shall be capable of providing summaries of any type of Transaction for comparison with physical Records contained within the Outlet. For example EPOSS shall be able to:

a) summarise the quantity of tax discs on hand;

b) summarise the quantity of milk Tokens on hand;

c) list and total cheques accepted by value;

1.139.3. As Transactions become automated the relevant summaries shall be enhanced to include details of items issued/on hand, by individual serial number.

1.140. Requirement 836 - POCL Applications - EPOSS: Service Development

1.140.1. PostShops are currently equipped with an EPOS terminal - CRISP (Counters Retail Information Systems in PostShops) - which is a stand alone system. It is desirable, subject to offered solutions, that these be integrated into or replaced by the EPOSS.

1.140.2. Where an Agent may in future use the OPS for his own business, all POCL Services using the OPS shall identify such Transactions separately from those relating to POCL Services under the Codified Agreement, in particular for financial accounting.

1.140.3. For each Transaction processed at a Counter Position through the POCL Service Infrastructure the following information shall be captured:

a) value of each Transaction;

b) volumes of Transactions;

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c) a unique code for each POCL Product across all Clients (e.g. breakdown by denomination of Royal Mail stamps sold);

d) source (e.g. Outlet, User and Till identification);

e) Client reference and Client scheme or product reference for each Transaction;

f) Customer identification and details (e.g. for Transactions involving cheques, passports, motor tax discs);

g) Method of Payment;

h) date and time of the Transaction.

1.140.4. The OPS shall be flexible to support further Services. The Contractor shall be willing to integrate and operate these under the Change Control Procedure, provided that there are no valid technical reasons that preclude their inclusion.

1.141. Requirement 837 - POCL Applications - EPOSS: Reporting

1.141.1. EPOSS shall support the production of a variety of Reports in pre-defined formats including:

a) Transaction level Reports by Stock Unit for Clients using pre-printed cut sheets (Client stationery);

b) Transaction level Reports by Stock Unit for Clients printed on plain paper;

c) Reports on the current level of Value Stock Stock Items at Stock Item level;

d) Reports on Transaction volumes and values;

e) Cash Account Reports;

f) reconciliation Reports for Non-value Stock Stock Items e.g. milk Tokens, tax discs;

g) Reports on Transfers of cash and Value Stock;

h) ad hoc Reports for management information purposes.

1.141.2. EPOSS shall be able to deliver Reports at the User's discretion, subject to POCL and Client rules on frequency of despatch and POCL Outlet Accounting Periods. Client Reports shall be produced on a daily or weekly basis. Where operationally appropriate, several weekly Reports shall be produced during a POCL Outlet Accounting Period.

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1.142. Requirement 838 - POCL Applications - EPOSS: General

1.142.1. EPOSS shall have the facility to allow input of Transaction related data after the event for items required for management information purposes (e.g. for Clients, Agents pay) which may not impact on the Outlet Balance e.g. non-Value Stock Stock Items, value recorded for information only.

1.142.2. EPOSS shall also support the input of data for local schemes where the value is not recorded for accounting purposes but the volume is.

1.143. Requirement 839 - POCL Applications - EPOSS: Retail Functionality

1.143.1. EPOSS shall provide the point of sale retail functionality in use in PostShops. This includes, but is not restricted to:

a) Till functionality;

b) discounting;

c) coupon management;

d) multibuys;

e) promotions;

f) marketing;

g) reporting.

1.144. Requirement 869 - POCL Service Infrastructure - Service Levels: Transaction Management System (TMS)

1.144.1. POCL is not concerned with the performance of individual elements of the POCL Services per se. The primary concern is with the overall performance of the POCL Services as they impact upon POCL'S own systems, Clients, staff, Agents and Customers. Therefore, targets for the level of internal performance between POCL Services shall not be set by POCL. However internal POCL Service performance shall be judged by POCL as it affects overall performance of the POCL Services.

1.144.2. By the end of the Operational Trial Period, the Contractor shall specify the boundary performance characteristics of TMS (which shall for these purposes include APS, EPOSS, OPS, SMS, and OBCS).

1.144.3. For the avoidance of doubt, POCL shall be entitled to test the ability of the Contractor to provide such boundary performance information as part of Acceptance Testing. The Contractor shall enable POCL to perform such testing by a date agreed between the parties, but in no event later than 9 (nine) months after commencement of national Rollout.

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1.144.4. For the TMS the Contractor shall specify the performance requirements and tolerances by a date consistent with the Project Plan for:

a) hours of operation of TMS;

b) response time required between TMS and OPS;

c) the number of outages of TMS, identifying types of outages monitored;

d) the availability of TMS.

1.144.5. The Contractor shall report against all performance requirements identified in the paragraph above.

1.144.6. The Contractor shall maintain detailed technical documentation of the interfaces from TMS to OPS and all attachable elements of the POCL Service Infrastructure. Any proposed changes to any interface to TMS shall be subject to approval by POCL in accordance with Change Control Procedure, with updates to the technical documentation being provided within 10 POCL Core Days after the change has been implemented.

1.145. Requirement 870 - POCL Applications - EPOSS: Transaction Times

1.145.1. EPOSS shall not slow down the activity of serving Customers and as such EPOSS shall be designed to minimise the number of key depressions (or other interaction with peripheral devices) involved in each Transaction. In all cases the response of EPOSS to any peripheral input shall be instantaneous.

1.145.2. Summarisation and balancing activities, including processing and printing, shall be optimised and avoid re-processing when data are changed during accounting.

1.145.3. The Contractor shall conduct performance benchmark tests against each of the different transaction types stated in the Schedule F08 of the Codified Agreement and identify their performance characteristics. The performance benchmark process is defined in document CS/PRP/001, Counter Transaction Performance Measurement and Benchmarking.

1.145.4. Actual transaction performance will be reported each month in the document CS/PER/013, Service Review Performance Statistics, and shall be subject to joint review by the Contractor and POCL during the monthly and quarterly Service Management Review meetings.

1.145.5. For each Outlet where the overall Transaction times are more than 10% greater than the average, the Contractor shall discuss with POCL the root cause of the performance difference at the monthly and quarterly Service Management Review meetings. The meeting shall jointly determine what, if any, action shall be taken, and in what time-scales, in order to bring the Outlet's performance back into acceptable bounds.

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1.146. Requirement 871 - POCL Applications - EPOSS: General Service Levels

1.146.1. EPOSS shall be implemented such that the version of any Reference Data being referenced from Outlets has been updated with the latest version of Reference Data. The version of the Reference Data is fully updated once all updates have been applied.

The Service Levels for these are defined in Schedule G10.

1.146.2. Transaction data shall be forwarded to POCL central systems (e.g. TIP) soon after the completion of the POCL Core Day on which the Transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission shall be included in a subsequent transmission.

Data which are included in the first batch transmission to take place after the time of the Transaction are deemed to be in the first batch transmission and so on.

The Service Levels for these are defined in schedule G10.

1.146.3. Batch transmission times shall be agreed for each POCL central system in Schedule G10.

1.147. Requirement 880 - POCL Applications: Specification of Transaction Data from Outlet to TIP

1.147.1. Transaction data from the Outlet to TIP (via TMS) shall be as specified by POCL. (See Requirement 831.)

1.148. Requirement 890 - POCL Applications - APS: Reconciliation

1.148.1. The APS shall ensure and demonstrate that all committed Transactions have successfully passed from the Outlets to POCL and/or Clients.

1.148.2. The APS shall ensure there is at least one point in the day when all Transactions to be sent to a Client are in step with those to be sent to POCL.

1.149. Requirement 891 - End to End Service - Reconciliation Requirements

1. GENERAL REQUIREMENTS

1.149.1. The Contractor shall ensure that all captured data are complete and accurately reflected in the appropriate outward interfaces:

a) this applies to Transaction data of all types and modes (including normal working, fall-back and Recovery, and to normal usage, amendment, reversal, and so forth) and to Stock and cash levels; and

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b) this applies to Reference Data changes, both local and as received from POCL as follows:

- from ESNCS for OBCS stop lists;
- otherwise from the POCL Reference Data System except for any specific transient arrangements;

c) this applies equally at all levels and across POCL Service components.

1.149.2. The Contractor shall synchronise data flows and storage, and shall:

a) monitor data transfers and account for data brought forward, received, passed on and carried forward;

b) monitor data transfers and account for data, across POCL Service interfaces and POCL Service components;

c) where a single datastream is "switched" to more than one recipient:

- reconcile any timing differences between transfers;
- account for any differences in processing or accounting cycles of the recipients of related flows; and
- provide information to each recipient to enable them to reconcile with the other recipients of related data.

1.149.3. The Contractor shall ensure that data are consistent between the levels where Transaction or Stock and cash level data are held, maintained or transferred at more than one level.

1.149.4. The Contractor shall perform daily operational cut-over reconciliations for any on-line interfaces with external systems.

1.149.5. The Contractor shall report reconciliation results to POCL, including any discrepancies and any doubtful items, and report progress on resolution of outstanding items in relation to:

a) interfaces between POCL Service components and POCL'S systems:

b) external interfaces between POCL and Clients (to enable them to maintain their commercial relationships);

c) interfaces between POCL Service components.

1.149.6. The Contractor shall apply appropriate integrity controls at all interfaces and provide information demonstrating integrity. For interfaces that are already in place integrity controls shall be as specified in the document titled POCL Interface Requirements For BA/POCL System, version 1.6, dated 16 April 1996. For new interfaces such integrity controls shall be agreed through a process which is defined in the documents

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Business Requirements Definition (reference PA/STD/003) and New Service Introduction (reference PA/PRO/007).

1.149.7. The Contractor shall control the implementation of configuration changes, including changes to Reference Data, including:

a) checking and reporting the implementation of changes against instruction;

b) maintaining the integrity of other reconciliation processes across configuration changes;

1.149.8. The Contractor shall meet all reconciliation requirements in contingency situations as well as normal working.

1.149.9. Service Levels for all reconciliation requirements are as follows:

a) full reconciliation with 100% of items demonstrably accounted for;

b) provision of the ability to reconcile by agreed processes at detailed level, including without limitation at Transaction level for Transaction data;

c) any differences, doubtful items or errors to be resolved by the Contractor;

d) reconciliation reports and identification of doubtful items and errors to be delivered to POCL by 9 a.m. of the following day;

e) the Contractor shall make all reasonable endeavours to resolve any doubtful items and errors promptly.

2. POST OFFICE OUTLET RECONCILIATION REQUIREMENTS

1.149.10. Stock and cash levels shall be reconciled with Transaction data:

a) by Customer Session, at Outlet level; and

b) where Outlets are so organised, by Stock Unit.

1.149.11. Outlet accounting information shall reconcile, taking account of Stock and cash brought forward, carried forward, Transaction data and local suspense items (as defined in the EPOSS requirements). This shall also be sustained in fall-back and during Recovery after any Service Failure.

1.149.12. The requirements in this section (2) shall be satisfied instantly.

3. TMS RECONCILIATION REQUIREMENTS

1.149.13. The Contractor shall provide operational control reports on operations, including polling and any loss of communications with Outlets or with other POCL Service components. In particular these reports shall include a daily report of Outlets which have not been polled.

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1.149.14. The Contractor shall apply controls on file and data transfers at all technical levels and, using relevant counts and financial totals, at business levels.

1.149.15. The Contractor shall ensure that information provided to POCL via TIP makes explicit what Transaction data have been sent to Clients.

For the avoidance of doubt, for NBS this requirement shall be met by the reports set out in Network Banking End to End Reconciliation Reporting (CS/SPE/011).

4. COMMERCIAL RECONCILIATION REQUIREMENTS

1.149.16. The Contractor shall provide information to enable reconciliation of POCL Services with Charges.

1.149.17. The Contractor shall act, and be seen to be acting, on behalf of POCL in reconciliations with other parties, and provide the necessary information for POCL to exert appropriate management control over operations performed on their behalf. The Contractor shall ensure in so doing that the commercial relationships between POCL and third parties are not compromised.

1.150. Requirement 894 - General - Management Information Requirement

1.150.1. The Contractor shall provide management information to POCL to enable it to manage the Codified Agreement, and POCL Services as well as to support POCL's general business requirements.

1. The Contractor shall provide information POCL requires to manage the Codified Agreement and the POCL Services as agreed by POCL and the Contractor by a date consistent with the Project Plan.

2. POCL may request and if so, shall receive during the term of the Codified Agreement, and after, any information it believes it requires to manage its business, the Codified Agreement, any POCL Service, and also to facilitate re-letting and hand-over of such Agreement and POCL Services.

3. The Contractor shall provide data to enable resource, network, productivity and cash management. A process for reviewing the type of Management Information data to be provided shall be agreed by a date consistent with the Project Plan.

4. The Contractor shall provide data to enable marketing planning by POCL. A process for reviewing the type of Management Information data to be provided shall be agreed by a date consistent with the Project Plan.

1.150.2. These data shall include without limitation:

a) Outlet, User and Stock Unit registration / deletion and mutual association;

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b) log-on / off;

c) completion of summaries and returns / reports, roll-over to new Balances and / or POCL Outlet Accounting Periods;

d) polling events;

e) receipt / implementation of new issues of Software, Reference Data, local Reference Data updates;

f) POCL Service Infrastructure failure / repair / replacement, down-time, Recovery time, file corruption etc.;

g) information to enable POCL to monitor / manage Service Levels;

h) exception reports.

1.150.3. The Contractor shall provide MIS captured by Outlet, Outlet type, region and any other organisational structure specified from time to time by POCL.

1.151. Requirement 895 - General - Security: Irregular Encashment Patterns

1.151.1. The POCL Service Architecture shall be capable of monitoring irregular encashments and reporting on them. Information shall be shared with POCL Audit / Security / Operations when it relates to a post office in relation to the following.

- Daily reports of Transactions at a non-live Outlet i.e. one reported to the Contractor as temporarily out of commission.

1.152. Requirement 896 - POCL Implementation- Documentation: Access to Documentation by Electronic Means

1.152.1. The POCL Service Infrastructure shall be able to support electronic communications for access to User documentation. The feature shall not be essential for initial implementation, and its later implementation shall be subject to the mutual agreement of POCL and the Contractor.

1.153. Requirement 898 - Order Book Control Service (OBCS) - General Requirements

1.153.1. [not used].

1.153.2. It shall be possible for POCL to obtain OBCS in nominated Outlets, at POCL's discretion, to be available when the POCL Service Infrastructure rolls out.

1.153.3. OBCS shall be implemented using TMS and OPS.

1.153.4. The implementation of OBCS shall comply with the Horizon OPS Style Guide.

1.153.5. Help Desk support shall be available to all Users of OBCS.

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1.153.6. OBCS shall be available at every Counter Position in any automated Outlet at which OBCS is required during the normal opening hours of that Outlet.

1.154. Requirement 899 - OBCS - Stop List Maintenance

1.154.1. [not used].

1.154.2. The Contractor shall maintain a stop list recording details of order books which have been stopped, and against which no further payments are to be made, and order books which have been recalled. In the case of recalled order books, orders may be paid for a number of days following receipt of the recall. OBCS shall calculate the recall date in accordance with the *OBCS Business Processing Rules*.

1.154.3. The Contractor shall initiate a communications link between the DSS computer and the TMS 7 nights each week and shall transfer a Data File containing stop list updates. The stop list updates shall include entries that are to be added and reference to those that are to be deleted. Notices not deleted by DSS shall be removed after an appropriate period.

1.154.4. Stop list update files shall be applied in the order defined in the stop list interface document.

1.154.5. The maximum size of the stop list shall be 1.5 million entries.

1.154.6. The maximum size of a stop list update shall normally be 100,000 entries. In the event that an update of greater size is needed special arrangements shall be made.

1.154.7. The minimum size of a stop list update shall be 0 (zero) entries; in this case a file with an appropriate header and footer shall be sent.

1.154.8. Details of the stop list update interface with DSS computer system shall be made available by POCL by a date consistent with the Project Plan.

1.155. Requirement 900 - OBCS - Order Book Processing: Bar-Coded Order Books

1.155.1. [not used].

1.155.2. OBCS shall provide a facility for dealing with bar-coded order books presented for encashment of benefits at automated Outlets requiring OBCS.

1.155.3. The bar-code shall be scanned, validated and checked against the stop list:

a) when the order book is received at the Outlet;

b) when the order book is handed over to an Authorised Person;

c) when the order book is presented for payment.

1.155.4. Whenever the bar-code on an order book is scanned OBCS shall provide both a visual and an audible indication of the result of the scan. There shall be a clear

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difference between the audible indication given for 'success or normal' and 'failure or exception'. There shall be a clear distinction between the instructions to 'impound' and 'cash and impound'.

1.155.5. When an order book is received at the Outlet from the Issuing Authority, OBCS shall prompt the Counter Clerk to scan the bar-code, and OBCS shall check it against the stop list. The electronic record of the Transaction shall be transmitted to the DSS computer system within a Data File.

a) If the order book is on the stop list then OBCS shall instruct the Counter Clerk to impound, hole punch the order book and return it to DSS.

b) OBCS shall be capable of recording the re-direction of the order book to another Outlet or its return to DSS.

c) If there are three consecutive failures to read the bar-code OBCS shall prompt the Counter Clerk to enter the bar-code information via the keyboard. Subsequently OBCS shall instruct the Counter Clerk to hole punch the order book and return it to DSS. OBCS shall record the order book as unreadable.

d) The maximum number of order books received in an Outlet on a POCL Core Day is expected to be approximately 600.

1.155.6. When an order book is being issued to the Authorised Person, OBCS shall prompt the Counter Clerk to scan the bar-code and OBCS shall check it against the stop list. The electronic record of the Transaction shall be transmitted to the DSS computer system within a Data File. The rules for making payments and order book retention are as for encashments below.

a) The maximum number of order books issued at any one Outlet in a POCL Core Day is expected to be approximately 100, but it should be borne in mind that there will be an uneven distribution across days, with peaks expected on Mondays, Tuesdays and Thursdays.

1.155.7. When an encashment is made against the order book OBCS shall prompt the Counter Clerk to scan the bar-code and OBCS shall check it against the stop list. Details of the Transaction shall be transmitted to the DSS computer system within a Data File.

a) When OBCS identifies a bar-code as not conforming with the specification agreed with POCL, OBCS shall instruct the Counter Clerk to impound the order book without payment. The Transaction shall be recorded by OBCS. This transaction shall be recorded in the summary of non-bar-coded order books.

b) If the order book is not on the stop list then OBCS shall instruct the Counter Clerk to pay normally and prompt for the number of vouchers encashed. A default number of one shall be presented with the Counter Clerk having the ability to override this.

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c) If the order book has been recalled then OBCS shall instruct the Counter Clerk to pay up to a specified date and prompt for the number of vouchers encashed. A default number of one should be presented with the Counter Clerk having the ability to override this with a valid number, including zero. OBCS shall instruct the Counter Clerk to retain the order book, hole punch it, and return it to DSS.

d) If the order book has been stopped OBCS shall instruct the Counter Clerk to make no payment and impound the order book, hole punch it and return it to DSS. The Counter Clerk shall not be allowed to void or otherwise cancel such a Transaction.

e) If there are three consecutive failures to read the bar-code, OBCS shall prompt the Counter Clerk to enter the bar-code information via the keyboard. If the order book is on the stop list for impounding then this takes precedence, otherwise OBCS shall instruct the Counter Clerk to pay one voucher and then hole punch the order book and return it to DSS. OBCS shall record the order book as unreadable. The Counter Clerk shall not be allowed to void or otherwise cancel such a Transaction.

1.155.8. Details of the interface with the DSS computer system for receiving Transaction records noted above shall be made available by the DSS by a date consistent with the Project Plan.

1.156. Requirement 901 - OBCS - Order Book Processing: Non-Bar-Coded Books

1.156.1. [not used].

1.156.2. When an order book with no bar-code is presented for encashment OBCS shall prompt the Counter Clerk to enter the number of vouchers to be encashed. A default number of one shall be presented with the Counter Clerk having the ability to override this.

1.156.3. For each Outlet for each POCL Core Day a single electronic record giving the total number of vouchers encashed shall be transmitted to the DSS computer system within a Data File.

1.156.4. Details of the interface with the DSS computer system for receiving voucher totals records noted above shall be made available by POCL.

1.157. Requirement 902 - OBCS - Transaction Times

1.157.1. [not used].

1.157.2. The following Transaction times shall be achieved using OBCS with a fully populated stop list:

a) logging the receipt of an order book, measured as the time from any point in the cycle for one order book to the same point in the cycle for the next order book , shall not take more than one (1) second longer than without OBCS;

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b) in issuing an order book to an Authorised Person, the checking against the stop list using OBCS shall not add more than five (5) seconds to the time that would have been taken with no manual stop list;

in making an encashment OBCS Transactions shall not exceed transaction times as per Schedule H08.

1.158. Requirement 903 - OBCS - General Service Levels

1.158.1. The stop list functionality shall be implemented so that the version of the stop list being referenced from Outlets has been updated with the stop list updates from the DSS computer. The version of the stop list is fully updated once all updates received have been applied. If one day's worth of updates have not been applied then the version is deemed one day behind and so on.

On any POCL Core Day:

a) 97 % of Outlets shall be referencing a version which is fully updated;

b) 99% of Outlets shall be referencing a stop list which is no more than one day behind;

c) 100% of Outlets shall be referencing a stop list which is no more than two days behind.

1.158.2. Transaction data shall be forwarded to the DSS computer system soon after the completion of the POCL Core Day on which the Transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission shall be include in a subsequent transmission.

Data which are included in the first batch transmission to take place after the time of the Transaction are deemed to be in the first batch transmission and so on.

Transaction data from the Outlets shall reach the DSS computer system as follows:

a) the data from 97% of Outlets shall reach DSS within the first batch transmission;

b) the data from 99% of Outlets shall reach DSS within the second batch transmissions;

c) the data from 100% of Outlets shall reach DSS within the third batch transmissions.

1.159. Requirement 905 - POCL Implementation - User Support for Transaction Accuracy

1.159.1. The POCL Service Infrastructure shall be designed in order to, and shall, give the User support in maintaining Transaction accuracy and in order to assist the transfer of accurate POCL Product information to Customers.

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1.160. Requirement 906 - POCL Implementation - Roll Out:

1.160.1. Outlets shall be provided with new terminals on the day of installation of the POCL Service Infrastructure in respect of Roll Out. Installation covers physical placement, connection to the POCL Service Infrastructure and testing.

1.161. Requirement 911 - End to End Service - Integrity Across Changes

1.161.1. The POCL Services shall maintain accounting and reporting integrity in the POCL Services and POCL Service Infrastructure, including any changes under the Change Control Procedure.

1.161.2. Such integrity shall cover implementation of changes, reverting to previous states (should this prove necessary, for example in fall-back and Recovery), co-existing before and after states (e.g. if simultaneous implementation does not occur) and reporting across change boundaries (e.g. using appropriate Reference Data versions for each part of a report).

1.162. Requirement 912 - POCL Service Infrastructure - SMS: Portable Appliance Testing

1.162.1. The Contractor shall carry out any regular portable appliance testing of elements of the POCL Service Infrastructure installed as part of the POCL Services in Outlets and on any other POCL Premises as required by legislation.

1.163. Requirement 913 - Implementation - Service Level Agreement: POCL User Documentation

1. INTRODUCTION

1.163.1. The Contractor shall provide to POCL PPDs containing information necessary for the preparation by POCL of comprehensive User documentation for all Users of the POCL Service Infrastructure and others, as notified by POCL.

2. AVAILABILITY

2.1. Users of the POCL Service Infrastructure

1.163.2. User documentation shall be available to all Users of the POCL Service Infrastructure 100% of the time that the POCL Service Infrastructure is in use.

2.2. Other Users

1.163.3. User documentation shall also be available to others, (such as helpline operators, non serving staff in retail Outlets, Retail Network Managers etc.) 100% of the time that the POCL Service Infrastructure is in use.

2.3. Contingency/disaster Recovery arrangements

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1.163.4. User documentation which contains information to Users on contingency / disaster Recovery arrangements, such as what to do during a Service Failure, shall be available to all Users during all hours of business.

3. CONTENT OF USER DOCUMENTATION

1.163.5. User documentation shall contain all information which a User of the documentation requires to complete all business Transactions at POCL Premises. This includes topics such as:

a) performing counter Transactions;

b) accounting;

c) balancing, including Value Stock taking;

d) Stock ordering;

e) Stock acceptance, disposal, destruction, remitting etc.;

f) contingency arrangements e.g. for Service Failure;

g) giving information to Customers e.g. how to obtain a duplicate Motor Vehicle Licence disc;

h) information for specific POCL Products e.g. posting restrictions;

i) performing business Transactions at Remittance Units e.g. Girobank deposits.

4. ACCURACY OF INFORMATION

1.163.6. All information in User documentation shall be accurate.

5. DESIGN OF USER DOCUMENTATION

5.1. Visual identity

1.163.7. All User documentation shall conform to Design Standards Volume 1: Identity System [POCL Visual Identity Design Applications Guideline].

5.2. Communications policy

1.163.8. All User documentation shall conform to POCL's communications policy, which is covered in the document 'A Guide to Head Office Communications Team'.

5.3. Environmental policy

1.163.9. All User documentation shall conform to POCL's Environmental policy.

6. USER DOCUMENTATION FOR A NEW PRODUCT/SERVICE

6.1. Notification of requirement by POCL

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1.163.10. POCL shall advise the Contractor of the requirement for User documentation for a new Product/Service a number of days before the implementation of that new Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.2. Drafting of User documentation

1.163.11. The final copy of User documentation for a new Product/Service shall be completed a number of days before the implementation of that particular Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.3. Final approval by POCL

1.163.12. All User documentation for a new Product/Service will be subject to final approval by POCL which shall, if appropriate, be given a number of days before the implementation of that particular Product/Service, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such new Products/Services.

6.4. Availability

1.163.13. User documentation which contains the details of a new Product/Service shall be available to all Users of the documentation immediately prior to implementation of the new Product/Service.

7. UPDATING USER DOCUMENTATION

7.1. Planned changes

7.1.1 Notification of changes by POCL

1.163.14. POCL shall advise the Contractor of the requirement to update User documentation a number of days before the implementation of the change, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.2 Drafting of User documentation

1.163.15. The final copy of updated User documentation shall be completed a number of days before the implementation of that particular change, such number of days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.3 Final approval by POCL

1.163.16. All updated User documentation shall be subject to final approval by POCL a number of days before the implementation of that particular change, such number of

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days to be agreed between POCL and the Contractor at the time of agreeing to implement such change.

7.1.4 Availability

1.163.17. Updated User documentation shall be available to all Users of the documentation immediately prior to implementation of that particular change.

7.2. Emergency updates

1.163.18. Emergency updates to PPDs shall be made available to POCL within (24) hours of the changes being notified to the Contractor by POCL.

8. [NOT USED]

1.163.19. [not used].

9. USER SATISFACTION

9.1. Frequency of monitoring

1.163.20. The Contractor shall measure User satisfaction with User documentation annually.

9.2. Target for User satisfaction

1.163.21. User satisfaction with User documentation shall be no less than 90%.

9.3. Topics to be covered

1.163.22. Topics to be covered by the User satisfaction survey will include areas such as:

a) overall use/effectiveness of User documentation;

b) comprehensiveness of index/indices;

c) accuracy of index/indices;

d) relevance of any cross references;

e) accuracy of any cross references;

f) layout, style and language etc.;

g) readability/size/usefulness of graphics;

h) quality and clarity of text.

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1.164. Requirement 914 - Implementation - Service Level Agreement: Operational Systems Help Desk

1. INTRODUCTION

1.164.1. This requirement documents the key Help Desk Service requirements for the POCL Services and POCL Service Infrastructure.

2. HELP DESK SERVICE

2.1. General

1.164.2. The Contractor shall provide a Help Desk Service which shall be the first point of contact for Help Desk Customers. Help Desk Customers include Users and POCL Clients having a direct interface with the POCL Services and any other party authorised by POCL and agreed with the Contractor.

1.164.3. The Help Desk shall:

a) act as a central point for information on the working state of the POCL Services;

b) keep Help Desk Customers notified of any scheduled interruptions;

c) assist in any negotiations between POCL and their customers and any other party authorised by POCL and agreed with the Contractor where interruptions to the POCL Services provided are scheduled;

d) keep Help Desk Customers informed of when the POCL Service will be restored.

1.164.4. The Contractor's Help Desk Service shall provide first, second and third level Services. Help Desk contact shall be over the telephone.

1.164.5. The Contractor shall provide the facility to transfer calls which are received and are outside its area of responsibility. The Contractor shall also provide the facility to receive transferred calls from POCL help desks and helplines.

2.2. First Level Service

1.164.6. The first level Service shall provide an immediate problem solving service for all simple and straightforward problems, which can be resolved within five (5) minutes, and all general enquiries.

1.164.7. The first level member of staff who takes the call owns the problem from initial logging through to resolution to the Help Desk Customer's satisfaction. The Contractor shall cater for first level members being off duty.

2.3. Second Level Service

1.164.8. The second level Service shall provide a diagnostics and fixing service for all problems which cannot be fixed within five (5) minutes by the first level Service, but which can be resolved within thirty (30) minutes.

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1.164.9. Calls shall be referred electronically from the first level Service to the second level Service. Second level staff shall have access to a prioritised list of outstanding problems, and all the details on the problem entered by first level staff.

2.4. Third Level Service

1.164.10. If the Help Desk is unable to resolve a problem at the first or second level the Contractor shall categorise and prioritise the problem so that it can be actioned and completed within a standard timescale.

2.5. Hours of Service

1.164.11. A full Help Desk Service is required during the POCL Core Day. A skeleton Help Desk Service shall be provided between 05:00 and 08:00 and between 20:00 and 24:00, Monday to Saturday, and between 07:00 and 22:00 on Sundays.

1.164.12. The Contractor shall ensure that calls made to the Help Desk outside specified hours are accepted by Contractor.

1.164.13. The Contractor, given two (2) POCL Core Days notice, shall extend the level of Service to whatever is required. In emergency circumstances, the Contractor shall, given five (5) hours notice, to provide a first and second level Service outside normal and extended working hours.

2.6. Problem Management

1.164.14. The Contractor shall provide a problem management system to record the problem details such as (but not exclusively):

a) unique problem serial reference, generated automatically by the problem management system;

b) Help Desk Customer contact, address, location and telephone number;

c) date and time problem occurred;

d) date and time problem was reported to Help Desk;

e) Help Desk contact;

f) description of the problem, including frequency of occurrence;

g) serial references of similar faults and previous occurrences;

h) Hardware Equipment involved; serial number etc.;

i) Software product and release version;

j) assessed impact on Help Desk Customers business;

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k) priority for solution;

l) problem category;

m) estimated elapsed time to solve problem;

n) any change of referral point;

o) date and time of referral.

1.164.15. The Contractor shall update the problem management system with the following information, as appropriate:

a) date and time of update;

b) Help Desk contact updating record;

c) textual description of the work done, or the fact that the problem had to be referred elsewhere, and who has taken it on;

d) date and time problem was cleared;

e) date and time the solution was accepted by the Help Desk Customer;

f) actual elapsed time to solve problem.

1.164.16. The Contractor shall also keep a record of all problems relating to the failure of uploading and downloading data.

1.164.17. The Contractor's first level Service staff shall assign a priority to the problem. Possible priorities could be:

Priority	Description
1	live working disrupted. Outlet cannot continue normal working;
2	live working disrupted but work around possible;
3	minor inconvenience. Help Desk provide short term resolution.

1.164.18. Throughout the life of the problem the Contractor staff shall monitor the progress of the problem and inform the Help Desk Customer at regular intervals, to be agreed with POCL by a date consistent with the Project Plan. This shall also apply to second and third level Services.

1.164.19. The Contractor shall manage the resolution of any problem using procedures which are defined in the document Horizon System Helpdesk PPD.

1.164.20. A problem can only be cleared when a Help Desk Customer has confirmed satisfaction with the resolution.

2.7. Systems and Services Supported

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1.164.21. The Contractor shall maintain User, asset, problem and change management databases.

2.8. Resilience

1.164.22. The Contractor is responsible for ensuring that a contingency plan is in place to cater with any Help Desk Incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management system. The contingency plan is to be agreed with POCL by a date consistent with the Project Plan and shall state how quickly the POCL Service will be restored in the event of an Incident.

2.9. Training

1.164.23. The Contractor shall provide any necessary awareness training to ensure Users work effectively with the Help Desk. The Contractor shall develop and implement training plans for its own staff.

2.10.Personnel

1.164.24. The Contractor shall ensure that all staff, including back-up staff, employed on the Help Desk Service have suitable and appropriate skills and training. The Contractor shall ensure that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the Contractor's organisation.

2.11.Service Targets

1.164.25. The Contractor shall answer at least 80% of all calls to the Help Desk within twenty (20) seconds during first level Service hours. 99.9% of calls shall be answered within forty (40) seconds.

1.164.26. The percentage of 'calls not answered' shall be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'.

1.164.27. The Contractor shall resolve at least 95% of calls assigned to first level within five (5) minutes. The Contractor will resolve 100% of calls assigned to first level within ten (10) minutes

1.164.28. The Contractor shall resolve at least 95% of calls assigned to second level within thirty (30) minutes. The Contractor shall resolve 100% of calls assigned to second level within forty-five (45) minutes.

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3. SERVICE MONITORING

1.164.29. The Contractor shall produce Service information, in electronic form and/or paper, and shall deliver this information to POCL within two (2) POCL Core Days of the end of the period to which they relate. The following is an example of the information required:

a) number of calls outgoing/received/number of calls not answered;

b) percentage of calls answered within target times;

c) number of problems/queries logged;

d) number and percentage of problems/queries solved within target times;

e) number of problems / queries assigned to first level that were not cleared within ten (10) minutes;

f) number of problems/queries with secondary complications (e.g. repeat calls);

g) number of problems/queries escalated;

h) percentage of time full Help Desk Service was available;

i) supplier performance against Service Levels for response;

j) Service availability at each post office.

1.164.30. POCL may wish to analyse the information by:

a) category of operational problem/query;

b) level and solving group at which the problem/query was solved;

c) Help Desk Customer group and location;

d) mean time to closure.

1.164.31. The Contractor shall retain Help Desk records for a minimum of eighteen (18) months.

1.164.32. Each quarter a survey shall be conducted by POCL to determine User satisfaction with the Help Desk Service. The approach to be taken and the format and content of the questionnaire shall be discussed between the Contractor and POCL at the quarterly Service Management Review meetings. **[DN Note that CCN281 omits the first sentence. However, this would make the remaining paragraph nonsense as "the approach" and "the questionnaire" would not be associated with anything. Therefore, I have retained the first sentence.]**

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1.164.33. The Contractor shall, on request, provide on-line access to the problem management system. POCL shall inform the Contractor of who is authorised to access the system. The Contractor shall provide ad hoc reports, as requested by POCL, within three (3) POCL Core Days.

1.165. Requirement 915 - Implementation - Service Level Agreement: Training Services

1. INTRODUCTION

1.165.1. This requirement documents the training requirements and key measurables that shall be used to assess only the effectiveness of the training Service as a whole, and applies to Existing Services.

2. TRAINING SERVICES

2.1. General

1.165.2. The training provided shall enable POCL's staff or Agents to achieve acceptable standards in key competencies in the use of the POCL Services.

1.165.3. The Training Services shall incorporate the development design and delivery of agreed training events and support materials.

2.2. Specific Responsibilities

Contractor

a) Design of training events;

b) development of training materials (day to day and maintenance);

c) delivery of training:

- to delegates (as appropriate);
- to trainers;

d) communication of training activity:

- to delegates;
- to POCL;
- to POCL Regions;

e) management of training processes:

- training plans;

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- call up notices;
- site selection and preparation;
- provision of appropriate Equipment;

f) management information (training):

- provide defined reports on training completed for agreed periods;

g) Attend regular training review meetings;

h) Identify improvement to training Services.

POCL

a) Consider and once it has agreed sign off Contractor's training proposals and processes;

b) monitor and review performance;

c) attend regular training review meetings;

d) identify improvements to training Services as part of the Contractor's quality review.

3. KEY MEASURABLES

3.1. Timeliness

1.165.4. Training courses shall be available within ten (10) POCL Core Days notice being provided by POCL in addition to the 4 week invitation notice period to Users.

1.165.5. Training shall not be delivered earlier than seven (7) or later than three (3) POCL Core Days before live usage of the POCL Service Infrastructure or the relevant POCL Service by delegates in the case of non-ECCO+ Outlets. However for the Live Trial, training shall not be delivered more than ten (10) POCL Core Days before live usage of the Service Infrastructure or the relevant service by delegates. However for the ECCO+ offices, training shall not be delivered more than ten (10) POCL Core Days before live usage of the Service Infrastructure or the relevant service by delegates.

3.2. Quality

1.165.6. Trainees' satisfaction with the training venue shall be measured by a training satisfaction questionnaire and shall achieve not less than 85% satisfaction.

1.165.7. The training shall have received a positive rating of not less than 95% as a result of a training measurement questionnaire.

3.3. Cycle Time

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1.165.8. Training shall take no longer than the timescale specified by the Contractor in their Solution to Requirements 531 and 534 to enable delegates to achieve the required standard of competence. Where minimum training compliance (MTC) is not affected remedial training can be delivered up to 2 days prior to individual site acceptance.

3.4. Contingency / Disaster Recovery

1.165.9. Notification of course cancellations shall be issued at the earliest possible time. A minimum of forty eight (48) hours notice must be provided for 98% of cases.

1.165.10. The Contractor shall cancel no more than 2% of courses.

1.165.11. When a designated training site becomes inoperative the Contractor shall make an alternative available and functioning within (approximately five days) to enable continuation of the training plan.

3.5. Data Accuracy and Integrity

1.165.12. There shall be no degradation to any Transaction data in the live POCL Service Architecture as a result of accessing localised training packages.

1.165.13. Training course content shall have no factual errors at the time of release.

3.6. Competence levels

1.165.14. The training Services provided shall ensure that 95% of trainees on completion of the training shall be able to demonstrate achievement of the agreed level of competence, which shall reflect a score of 90% for knowledge related areas for transactions and the operating platform.

1.165.15. Competence levels shall be measured by the Contractor for delegates to second level of the Kirkpatrick model utilised by POCL.

4. COMMUNICATION

1.165.16. Delegate performance feedback shall be provided by the Contractor for each person attending a training course.

1.165.17. Regional offices shall be provided by the Contractor with a status report on delegates whose attainment level of the key competencies for their user group is below the agreed standard within five (5) days of training completion.

1.165.18. Trainees shall receive call up papers one (1) month prior to proposed date of training.

1.165.19. Call up notices shall provide options as to days and times of attendance for training.

5. MONITORING TRAINING SERVICES

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1.165.20. The Contractor shall supply information to POCL in the agreed format which identifies actual performance against the key measurables stated.

6. TRAINING REVIEW MEETINGS

1.165.21. Review meetings shall be held on a regular basis.

Operational Trial	fortnightly
First 6 months live running	monthly
From 7 months to 18 months	quarterly
After 18 Months	ad hoc or emergency review meetings may be called by either party.

Note : Meetings timing shall be subject to agreement. These are only indicators.

7. ESCALATION PROCEDURES

1.165.22. Failures in Service Levels shall be managed and rectified between the nominated SLA managers of POCL and the Contractor whenever possible.

1.165.23. Issues which cannot be rectified shall follow the agreed escalation path as detailed in Clause 807.

8. CHANGE MANAGEMENT

1.165.24. Permanent variations to the agreed Service Levels and or the training Services provided shall be progressed through the standard Change Control Procedure.

9. TRAINING SERVICE SLA MANAGEMENT

1.165.25. [Not used]

1.165.26. The SLA shall be managed within the overall framework of Schedules A04 and G07 of the Codified Agreement.

1.166. Requirement 918 - General - Communications

1.166.1. POCL shall retain the right of veto on all communications, marketing and education for all Customers, POCL employees, Agents and their staff.

1.167. Requirement 921 - POCL Service Infrastructure - Security: OPS Secure Time-out

1.167.1. The OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall provide a secure time-out facility for each counter terminal and back office terminal.

1.167.2. The facility shall allow the User to resume work with the minimum delay consistent with achieving security in accordance with the provisions hereof.

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1.167.3. It shall be clear that the facility is in use to remove any confusion between a terminal with the facility activated and a terminal that is available for use by any User.

1.167.4. Under circumstances where the facility has been activated and the User is no longer able to cancel it, for whatever reason, it shall be possible with appropriate authority:

a) to complete User and Outlet balances; and

b) to make the terminal available to another User.

1.167.5. The circumstance where the facility has been overridden by an appropriate authority shall be expressly logged to the audit trail.

1.168. Requirement 922 - POCL Service Infrastructure - OPS: Noise Emissions

1.168.1. The acoustic noise emission of any element of the POCL Service Infrastructure used in the provision of OPS shall not exceed 60dB(A) measured at a distance of one metre.

1.169. Requirement 925 - Joint Implementation - Operational Trial: Acceptance Testing Requirements

1.169.1. The Operational Trial in respect of Roll Out shall be carried out in accordance with Schedules L01, L02, L03, L04 and L05.

1.170. Requirement 926 - Roll Out: Generic Requirement

1.170.1. All Roll Out plans shall be agreed with POCL. Any changes to functionality of the POCL Services shall be implemented only with the prior approval of POCL.

1.170.2. POCL reserves the right to suspend the Roll Out programme if the Contractor fails to deliver POCL Services to the Service Levels.

1.171. Requirement 938 - Data Protection

1.171.1. The Contractor shall comply with all its Data Protection obligations specified in Schedule A02

1.172. Requirement 941 - Implementation - Roll Out: Post Office Roll Out

1.172.1. The planned Roll Out of the POCL Service Infrastructure for each Outlet shall be agreed by the Contractor and POCL by a date consistent with the Project Plan.

1.172.2. Northern Ireland is a discrete area for such Roll Out purposes.

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1.173. Requirement 945 - Implementation - Service Level Agreements: Installation of POCL Service Infrastructure

1.173.1. The installation of the POCL Service Infrastructure, and the implementation of POCL Infrastructure Service in relation to Roll Out, and the Service Levels for the POCL Infrastructure Service shall be as set out in Schedule G06 and G10.

1.174. Requirement 949 - POCL Implementation - Training

1.174.1. The Contractor shall be capable of delivering POCL's total training requirement if required in due course.

1.175. Requirement 951 - General - Service Architecture Design Document

1.175.1. The Contractor shall develop and maintain the Service Architecture Design Document, a document describing the design of the POCL Service Architecture.

1.175.2. As a minimum the Service Architecture Design Document shall specify:

a) the major components, provided directly or sub-contracted, used in providing the POCL Services;

b) the functionality within the major components;

c) the interfaces between the major components;

d) the Service Levels required across the interfaces to meet the objectives of the overall POCL Services;

e) all the interfaces with the POCL Service Environment and with other parties' computer systems.

1.175.3. The audience for the Service Architecture Design Document shall be technical staff within POCL. The Service Architecture Design Document shall be self contained, though it is expected that it references other documents to provide further levels of detail as appropriate. The level of detail within the Service Architecture Design Document shall be such that it gives a thorough background to the construction of the POCL Services and the rationale for the approach. It is anticipated that the Service Architecture Design Document shall be between 200 and 400 pages in length.

1.176. Requirement 952 - POCL Service Infrastructure - OPS: APS and NBS Key Management

1.176.1. The OPS shall support a reliable, secure means for the transfer of encrypted data that may subsequently be used for cryptographic applications.

1.176.2. In order to use the encrypted data, a key management system shall be in place so the encrypted data can be deciphered without risk of the cryptographic key being exposed.

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1.177. Requirement 953 - POCL Service Infrastructure - OPS: Concurrency

1.177.1. OPS shall support concurrent access to POCL Services provided via it.

1.177.2. OPS shall ensure data integrity, e.g. reports printed at the back office whilst serving at the front office shall be consistent with a clearly stated policy (to be approved by POCL) of what front office data are included in the report.

1.177.3. Performance of OPS shall not be significantly degraded by other office activity, e.g. front office, back office and communications activities shall not unduly impact each other.

1.178. Requirement 956 - OBCS - OPS Interface: ESNCS to OBCS

1. BUSINESS SUPPORTED ACROSS THE INTERFACE

1.178.1. The following business transactions shall be supported across this boundary:

1.1 Transactions initiated by ESNCS

1.178.2. Order book stops - ESNCS shall provide to OBCS amendments to the currently held list of order books that shall be stopped and impounded when they are presented at a post office (i.e. order books where no further payment on foils within the specified order book shall be made);

1.178.3. Order book recalls - ESNCS will provide to OBCS, and OBCS shall receive, amendments to the currently held list of recalled order books which are to be recalled. OBCS shall calculate the recall date in accordance with *OBCS Business Processing Rules*. A recalled Order book shall be impounded upon presentation at a post office.

1.178.4. Purge order book notification - ESNCS shall provide a list of order books which OBCS may purge from its list of recalls or stops. OBCS shall not subsequently need to support any stop or recall action on such order books unless they are subsequently re-notified via either the stop or recall processes;

1.178.5. Restate full list - ESNCS shall, on request from the Contractor to POCL (acting on behalf of DSS), provide a full list of all stops and recalls that are currently in force. This is an ad hoc Transaction which requires agreement of both POCL, on behalf of DSS, and the Contractor (such agreement not to be unreasonably withheld or delayed) before it can be initiated.

1.2 Transactions initiated by the Contractor

1.178.6. Notification of outcome of order book receipt at post office - OBCS shall notify ESNCS of the outcome of the order book receipt process in the post office. The outcome shall be one of:

a) the order book is acceptable;

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b) the order book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);

c) the order book bar-code is found to be unreadable and is to be sent by the post office to a DSS office for re-issue.

1.178.7. Notification of an order book redirection - the post office detects delivery of an order book to the wrong post office and attempts to redirect it to the correct one. OBCS shall notify ESNCS of the outcome of such events which shall be one of:

a) the order book is redirected;

b) the order book is found to be unreadable and is to be sent to a DSS office for re-issue.

1.178.8. Notification of outcome of order book handover to the Authorised Person - OBCS shall notify ESNCS of the outcome of the order book handover to the Authorised Person. The outcome shall be one of:

a) the order book is handed over successfully;

b) the order book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);

c) the order book bar-code is found to be unreadable and is to be sent to a DSS office for re-issue.

1.178.9. Notification of outcome of order book foil encashment - OBCS shall notify ESNCS of the outcome of the order book foil encashment. The outcome shall be one of:

a) the encashment is successful and the number of foils encashed and the total value are reported;

b) no encashment is made and the order book is immediately impounded (due to a previous stop request accepted from ESNCS);

c) one or more foils are encashed, the number of foils encashed and their total value are reported, and the order book is impounded (due to a previous recall request accepted from ESNCS);

d) one foil is encashed, its value reported, and the order book is impounded due to the order book bar-code being unreadable.

1.178.10. Post office summary Transaction - OBCS shall notify ESNCS daily for each post office of:

a) the total number of non bar-coded order books presented at that post office;

b) the total number of order books impounded without any encashments due to the bar-code being invalid.

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2. SYSTEM AND SERVICE RESPONSIBILITY

1.178.11. The Contractor shall provide all networks, hardware, software, procedures and training required to connect and deliver Services to the nominated ESNCS platforms. It is entirely responsible for Roll-Out, operation and management of all such resources subject to the approval of POCL on behalf of DSS. The Contractor shall provide such connection(s) at sites nominated by POCL on behalf of DSS and which may change over time.

1.178.12. ESNCS is ICL VME and UNIX based and resides in the DSS Area Computer Centres operated for DSS by EDS. POCL, on behalf of the DSS, and the Contractor shall agree, from time to time, the technical nature and implementation of the connection.

1.178.13. The Contractor shall not change the ESNCS interface as currently implemented in any way without approval by POCL, on behalf of DSS. The exception to this is the acknowledgement of order book stops and recalls which is in addition to the current implementation.

1.178.14. The Contractor'S service responsibilities extend to:

a) transport of ESNCS created Transactions and any associated information (e.g. Reference Data) from the ESNCS service to the POCL Services along with any subsequent processing. This normally includes detecting the availability of such Transactions and data on the ESNCS services;

b) provision of responses to Transactions where requested along with delivery to the ESNCS service;

c) transport of Contractor created Transactions and information from the POCL Services to the ESNCS service and notification of their availability if required.

1.178.15. Agreed Service Levels for this interface are as set out in Schedule H08.

1.179. Requirement 960 - POCL Applications - EPOSS: Zero-Value Transactions

1.179.1. EPOSS shall allow POCL to record various zero-value Transactions to measure work done, for example for various Royal Mail and Parcelforce activities and for distribution of various forms, for example E111s. The measurement of work may be for charging Clients, for remunerating subpostmasters, for monitoring work done to check assumptions in cases where the costs are subsumed in other charges, and so forth. Potential reasons for new zero-value Transactions might be to provide data for Clients in support of Service Level monitoring, for example recording Transaction times for mail receipts.

1.179.2. Automated zero value Transactions shall be reported separately. Initially these shall be:

a) automated payments which fall into two categories:

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- Smart Tokens, where Transactions are recorded (even if zero value) once the Client has been identified since this implies interaction with the Smart Token;

- swipe-cards or keyed Transactions, where recording of zero value Transactions is controlled by POCL Product parameters for minimum and maximum values but where a Transaction can be made void during Customer Service;

b) OBCS order book receipt and issue in Outlets.

1.179.3. Particular aspects are:

a) automated payments shall continue as now;

b) extra automated Transactions, including zero-value ones such as those indicated above for book/receipt movements shall be designed as POCL Products in the normal way with normal Transaction controls and data flows, including interfaces with POCL systems.

1.180. Requirement 971 - POCL Implementation - Farnborough Requirement

1.180.1. Clients served using the APS shall receive only one stream of unreconciled data irrespective of the source of the polling at Outlets (whether via Farnborough or Contractor facilities). The Contractor and POCL shall agree (such agreement not to be unreasonably withheld or delayed) a strategy to achieve this requirement as from the commencement of Roll Out.

1.180.2. The strategy shall include, but not exclusively, a timetable separate from and shorter than the Roll Out timetable, for the Contractor to absorb the reducing workload from Farnborough.

1.181. Requirement 972 - Implementation - Roll Out: Strategy

1.181.1. The Contractor shall conform to POCL'S Roll Out strategy, which is as follows:

a) installation will prioritise the following seven (7) major conurbations for Roll Out: West Midlands; Greater Manchester; Merseyside; Leeds / Bradford; Tyne and Wear; Glasgow / Edinburgh; Urban South Wales;

b) the M25 Roll Out shall take place during the second half of the overall Roll Out Programme.

1.182. Requirement 973 - End to End Service - Internal Interface Specifications

1.182.1. The POCL Services may, during the lifetime of the Codified Agreement or at termination, need to be replaced or supplemented with services provided by other suppliers. It shall therefore be both technically and commercially viable for the POCL Services to be replaced by and/or interfaced to services from other suppliers. To support this, the Contractor shall declare all internal interfaces between separate POCL Services within the overall POCL Service Architecture.

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1.182.2. For each interface the Contractor shall provide an interface specification covering:

a) A definition of the business processes supported across the service boundary, including who originates the processes.

b) All business transactions supported across the service boundary including responses, associated information, any supporting facilities and any constraints including required timings.

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26 JUN 2002

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SCHEDULE A16 - SOLUTIONS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN268a to S479; CCN286d to S915; CCN290a to S831; CCN312a to S545, S552, S553, S890, S891; CCN363 to S467, S478, S479, S517; CCN384a to S489, S501; CCN407 to S560; CCN405a to S507; CCN411a to S543; CCN419 to S465; CCN420 to S956; CCN429a to S517; CCN437 to S915; CCN453 to S466	
1.1b	Correcting typo in S891 para 1.8	
1.1	Baselined copy of 1.1b	18 Oct 1999
1.2a	Applying CCN202b to S555; CCN323a to S465, S473, S475, S549, S550, S553, S554, S913, CAR547, CAR549, CAR550, CAR552, CAR553, CAR 925; CCN417 to S952; CCN423a to S699; CCN428b to S544, S552, S553, S890; CCN444 to S555, S693, S696, S808, S818, S834, S953; CCN464b to S971;CCN470 to S837; CCN471 to S473; CCN484 to S472, S699; CCN487b to S915; CCN512a to S494, S519; CCN513a to S890; CCN516a to S544; CCN507 to S524, S527, S529, S832; CCN538a to S475; CCN540 to S834; applying CCN560 to S891, S915;	
1.2b	Removing redundant Pathway Comment from S952; Deleting section 3 of S527 as specified in CCN507; Removing amendments proposed by CCN512a from S494 and S519; Removing CCN560 additions from S891 para 3.2; Removing CAR925	
1.2	Baseline copy of 1.2b	30 November 1999
1.3a	Applying CCN435d to S891; CCN467b to S551; CCN473c to S818; CCN486c to S830; CCN493a to S478; CCN495e toS481, S913; CCN508a to S516, S926, S941; CCN518b to S544; CCN543b to S915; CCN566a to S915; CCN581 to S478; corrections of typos in S472, S476, S554, S555	
1.3	Copy of 1.3a, correct typo in S478 and document name in S831 to reflect CCN466 omitted in error at V1.2	30 March 2000
1.4a	Applying CCN506a to S539; CCN517a to S502, S503, S511; CCN588a to S831; CCN589a to S514; CCN596a to S531, S915; CCN635 to S831; CCN637 to S831	
1.4b	Correcting "ICL Pathway" in S502, 503 and 511 and typo in S511 (none marked with annotations)	
1.4	Baseline copy of 1.4b	21 July 2000
2.0a	Applying CCN633b to S467, S478, S479 & S517; CCN677 to S523; CCN679b to S471; CCN700 to S502, S503, S511; CCN691a to S915; CCN704a S473	
2.0b	Correct wording re CCN691a in S915	
2.0	Baseline copy of 2.0b	12 January 2001
3.0a	Applying CCN722 to S915; CCN731 to S915; CCN721 to S915; CCN457c to S914	
3.0b	Correcting typos in S914 & S915	

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3.0	Baseline copy of 3.0b	19 September 2001
4.0j	New Schedule introducing Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

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Pathway Response

1. Service Principles

Pathway will supply all the Office Platform Service equipment which is required for testing, acceptance and training for those POCL Existing Services which are provided by Pathway under this Contract. The charges for such equipment are included in the Service prices. If additional Office Platform Service equipment is required by POCL for other purposes or the testing of Services or systems that are not supplied by Pathway, then Pathway shall supply such equipment under the normal commercial terms and prices which are prevailing at the time.

It should be noted that title to all equipment which is provided as a part of the contracted POCL Services remains with Pathway and the equipment will be reassigned to operational use by Pathway when it is no longer needed for testing.

The following paragraphs provide further details of this "service principle" as it applies to the examples raised by POCL.

2. Acceptance Testing:

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Pathway will supply the Office Platform Service equipment that is reasonably required to test and accept new Office Platform Services provided that it is:

a) required in support of the POCL Services provided exclusively by Pathway and
b) required to satisfy the Acceptance Criteria

3. Destructive Testing:

Upon request by POCL, Pathway will supply sample units of the Office Platform Service Equipment for destructive testing. The first sample of each generic type of unit will be provided at no charge to POCL and any subsequent units will be supplied at normal commercial prices.

4. Other Testing by POCL:

POCL may require additional Office Platform Service equipment to support in-house testing or for testing third party applications, systems or services. Pathway will provide such Equipment under normal commercial terms and prices.

5. Training:

ICL Pathway will carry out classroom training for Existing Services only. ICL Pathway will provide the equipment for class room training as part of national Rollout. Training POCL staff, and training mode, is excluded from NBS.

If additional equipment is required by POCL or third parties to support training which is not undertaken by ICL Pathway then such equipment will be supplied on normal commercial terms and prices.

6. Demonstration & Marketing:

Pathway will provide Office Platform Service equipment which is required to demonstrate and market new Office Platform Services to clients and prospective clients. The equipment that is required will be set out in marketing plans which are agreed jointly between POCL and Pathway.

Pathway Comment
Nil

Reference No 464

Pathway Response
It is agreed that Services which utilise the OPS and TMS may only be provided subject to the express agreement of POCL.

Pathway Comment
Nil

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Reference No 465

Pathway Response

1. Equipment Livery

The standards for equipment livery to be used within OPS are defined in "Counter Hardware Design Specification".

2. Equipment Appearance

The effort required to maintain the OPS equipment will be minimal and capable of being undertaken by the local post office staff. It will be comparable to the cleaning required of any desk-based office computer system and will typically consist of occasional dusting and screen cleaning.

3. Cleaning Materials

Pathway proposes that any cleaning materials that are required shall be supplied in the same way as for other Consumables.

Pathway Comment

In order to take account of the costs of the livery within the Tender we shall need early access to the Horizon OPS Style Guide for Post Offices. Pathway anticipates that one aspect of the standards for equipment livery will be the colour of equipment casings. Whilst this presents no problems in principle the earliest definition of the preferred choice will be important in order that equipment lead times are not affected. Pathway would wish to supply standard colour equipment into the Operational Trial phase should post office livery equipment not be available at that time.

Reference No 466

Pathway Response

1 Detailed specifications of consumable items are defined in Schedule B04.

Schedule B04 outlines the initial supply provided by Pathway at installation, consumable product specifications and prices.

POCL have opted to obtain and distribute supplies to Outlets via the existing POCL distribution network. POCL will therefore be responsible for maintaining consumable supply levels at the Outlet and estimating consumption rates for consumables at each Outlet. The consumption rates will vary at each Outlet depending on use and volume of transaction.

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2 Pathway do not propose to hold consumable stocks but, as specified in Schedule B04, will maintain a capability to provide consumable stocks if formally requested to do so by POCL

Pathway Comment
Nil

Reference No 467

Pathway Response
1. Connection of OPS to TMS

The Pathway solution for OPS is based on a PC configuration at every counter. Each counter configuration is linked to a Local Area Network within the post office. Each post office configuration is linked to TMS using an ISDN, VSAT or Frame Relay Wide Area Network connection.

This connection supports the transfer of authorised data files and messages in both directions.

2. Data Transfer

The Pathway solution for TMS uses data replication and synchronisation techniques to ensure that data transfer between post office counter positions within OPS and between instances of OPS and the TMS are secure, complete, accurate and robust. In addition techniques including cyclic redundancy checks, digital signatures and encryption are used to ensure data integrity.
2.1 Secure Data Transfer

Once a transaction has been settled at a counter position the full transaction details are committed to that users journal. These details are automatically replicated to all other PC's in the post office to ensure that the data has been securely captured. In addition these transaction details are automatically replicated to a remote server within TMS. Data and message transfer may originate from an individual counter PC (e.g. a bill payment) and be replicated to TMS or from a POCL Client system (e.g. APS Host) which then uses TMS to distribute data to OPS.

The OPS PCs and TMS servers are known as nodes which are logically grouped into a number of work groups.

All messages from a single node are generated in a strict numbered sequence and with a unique node identification. Any attempt to introduce a fraudulent message will be detected and rejected.

This approach is resilient to either network or node failure since a TMS node and an OPS node will be always aware of each others state. When the failure condition is resolved the nodes will automatically synchronise and complete any data or message transfers that are required to ensure both nodes are in a consistent state.

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2.2 Data Integrity

Three techniques are used to ensure data integrity within the OPS and as part of data/message transfer between OPS and TMS.

These are CRCs used for all node journal messages, DSA based digital signatures used for all data where assurance of content and source are required and data encryption used selectively on certain data fields.

All messages have a CRC applied when they are initially committed to the journal and this is checked every time the message is accessed. This protects against accidental corruption and casual tampering. Any failure of a CRC check will cause the message to be rejected and retrieved from an alternate node.

When authentication of the origin of data is important, a digital signature is applied to the data prior to transmission and then checked upon receipt. A CRC is generated for the data contents, then one-way encrypted and the result encrypted using a DSA private key. Upon receipt the CRC is recovered using the public DSA key and compared with the newly encrypted checksum from the received data. If the results match then the data content and its origin are assured.

Data encryption may be used selectively to protect the values of certain data items.

Thus any attempt to alter the data will be automatically detected and logged for subsequent investigation.

3. Status of TMS data collection

The Pathway solution for TMS and OPS automatically replicates in the TMS all of the transaction data which is created using the OPS. The data is then available for processing by the relevant client system which may include Pathway, POCL or POCL client systems.

The replication period between OPS and TMS is configurable and will be defined according to the urgency of the transaction data. Data replication will also take advantage of connections that are established between TMS and OPS for other purposes. E.g. An OBCS transaction etc.

This process runs automatically throughout the day and is optimised to take advantage of any connections that TMS might make to OPS. The exact status of transactions from one moment to the next may be different. Consequently a report identifying the status of transaction data is felt to have little business value.

Pathway believes that the key requirement is to ensure that end-of-day procedures provide TMS with data in a known state at each post office and enable Client processing to proceed on a consistent dataset.

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The Pathway solution for EPOS will initiate a connection to replicate the final end-of-day balances and this process will also enable the replication of any outstanding transactions that have not previously been sent to TMS.

Pathway Comment
Nil

Reference No 468

Pathway Response
Pathway's solution draws upon the experience gained by delivering field services to Camelot's National Lottery terminals which are often sited in locations where space is very limited.

The hardware platform and associated peripherals have been chosen with minimum maintenance in mind. All faults will be diagnosed with the aid of expert systems by the Horizon System Helpdesk and it is anticipated that fewer than 25% of calls will require a visit by a field engineer to replace an unserviceable component. It is our experience that the majority of visits will be completed within 20 minutes of arrival. If the maintenance or repair operation is predicted to take longer than 20 minutes then Pathway will replace a whole unit or module to minimise disruption at the counter.

Optionally, a postmaster may elect to defer a visit to a time which he believes is more convenient for himself and his customers. For example, in a larger crown office, if a fault occurred at the busiest time of day and the postmaster preferred that the engineer arrived later, or even on a different day, then he could request a deferred visit. In these circumstances, the request for service would be diagnosed fully but then suspended until the preferred appointment time. Clearly the time in suspension will not count towards down-time for the purposes of service measurement and performance targets.

Pathway Comment
Nil

Reference No 469

Pathway Response
1. General.

The OPS is provided by a suite of software procedures which are invoked by an application programming interface (API), and a set of counter applications which perform specific business functions. These are all run on a hardware infrastructure provided at each post office counter.

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Pathway will provide the following OPS technical documentation.

2. The OPS Architecture Specification Document

A document which describes the overall systems architecture of Pathway's solution and the functionality of the various sub-systems which comprise the suite of software. This includes a description of the Counter applications architecture which describes how counter applications utilise the OPS.

3. The Generalised API for OPS/TMS Document

A document which describes the full set of API's provided by the OPS. Some of these are used by the counter applications.

4. The Counter Hardware Design Specification Document

A document which provides a technical specification of the equipment provided in a post office as part of the OPS.

5. Change Control

It is important that the Contractor exercises his own management control over the technical design of the POCL Services so that the operational effectiveness and efficiency of the POCL Services can be maintained and improved through time. All changes to the documentation will be passed to POCL for their agreement however Pathway believes that the final design authority for technical documentation and changes to them must reside with the Contractor. Pathway is prepared to discuss particular essential properties of the technical design which POCL believe must be preserved through changes to the documentation if this is considered helpful.

Pathway Comment
The requirement only identifies the need for technical documentation, it does not directly address the related implications of developing and using third party applications or hardware on the Contractor's service platform. The Contractor must ensure that the technical and operational integrity of the OPS is not compromised by third party applications or hardware. It will therefore be necessary for any third party applications or hardware to be verified and approved by Pathway before installation or connection to the OPS. In addition to the provision of the technical documentation, Pathway will support the procurement of third party Applications or Hardware by offering a design, Integration, Test and Approval Service. The operational implications of third party applications and hardware must also be considered since they will utilise resource capacity of the OPS and perhaps other related POCL Services. Implementation and ongoing service management for third party hardware and applications may be required from the Contractor in many cases. Pathway is prepared to offer commercially attractive services to meet all of these requirements.

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Reference No 470

Pathway Response

1. Technical Documentation

The TMS is provided by a suite of software procedures which enable counter applications and Client systems to securely communicate and exchange data in support of a specific set of business functions. Counter applications invoke the TMS through the TMS applications Programming Interface. Client systems invoke the TMS functionality through Agent software.

Pathway will provide the following TMS technical documentation.

2. The TMS Architecture Specification Document

A document which describes the overall systems architecture of TMS and the functionality of its various software sub-systems . This includes a description of the Agents which describes how Client systems utilise the TMS.

3. The Generalised API for OPS/TMS Document

A document which describes the full set of API's provided by TMS. Some of these are used by the Client Agents in support of Client systems.

4. The TMS Hardware Specification

A document which provides a technical specification of the equipment provided in data centres in support of TMS.

5. Change Control

It is important that the Contractor exercises his own management control over the technical design of the POCL Services so that the operational effectiveness and efficiency of the POCL Services can be maintained and improved through time. All changes to the documentation will be passed to POCL for their agreement however Pathway believes that the final design authority for technical documentation and changes to them must reside with the Contractor. Pathway is prepared to discuss particular essential properties of the technical design which POCL believe must be preserved through changes to the documentation if this is considered helpful.

Pathway Comment

The requirement only identifies the need for technical documentation, it does not directly address the related implications of developing and using third party applications which utilise the TMS. The Contractor must ensure that the technical and operational integrity of the POCL Service is not compromised by third party applications. It will therefore be necessary for any third party applications to be verified and approved by Pathway before connection to the TMS. In addition to the provision of documentation, Pathway will support such connections by offering a Design, Integration, Test and Approval Service. The operational implications of third party applications must also be considered since they will utilise resource capacity of the

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TMS and perhaps other related POCL Services. Implementation and ongoing service management for third party applications may be required from the Contractor in many cases. Pathway is prepared to offer commercially attractive services to meet all of these requirements.

Reference No 471

Pathway Response

1. Broadcast facilities

Pathway will provide the Message Broadcast Service as set out in Schedule G01.

2. Access to electronic information

Subject to the comment below, Pathway is able to provide an electronic information facility so that counter staff using the OPS are able to gain access to information in support of counter transactions and for general education and information. Such information may comprise or be derived from sources including Counter News, Regional Bulletins or Operations Manuals.

Pathway will provide a facility which will enable these and other documents to be distributed to outlets and viewed locally. The documents would need to be supplied to Pathway in an agreed format (e.g. HTML). These would be distributed together with an updated index using Riposte. Access to these documents would be via an appropriate HTML viewer operating within the users Riposte desktop.

Pathway will agree with POCL or other Clients the retention periods for these documents.

Pathway will agree a charging structure for this service which is expected to be based on file size and incidence of distribution.

Pathway Comment

Pathway believes that the second part of the requirement (paragraph 2 above) is complex both for the Contractor and for POCL who would need to originate the information of electronic access. It is pointed out that for contingency & fallback purposes the service documentation must be provided in paper format anyway and thus two sets of information need to be maintained incurring additional costs. Pathway would like further discussions with POCL regarding the business needs. At present Pathway does not believe the facility is cost effective.

Reference No 472

Pathway Response

1. Introduction

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Pathway's solution for the OPS is based on a set of counter applications running on processors at every counter position. The counter applications all operate under Riposte, a suite of software which provides mechanisms for ensuring data security and integrity within the OPS and across the network to TMS. In addition Riposte ensures this distributed architecture is fully resilient by replication of data across the OPS and TMS together with effective algorithms for synchronisation whenever the replicates are out of step.

2. Accurate and Robust Data Capture

The design of the counter applications and the menu structures have been designed to minimise data input and to ensure that only valid and accurate data is captured at the relevant point within a counter transaction.

The counter applications will be invoked by an event driven process wherever possible. This will typically be a card swipe, a bar code read or optionally a single touch on touch screen panel. The data associated with these actions will be captured automatically. Some transactions will require no further data input and the transaction will be completed by invoking a Receipt (where required) and the Settle function.

Supporting data may be required for some transactions including quantity, value or transaction specific details such as account number. Check-digits will be used where such details are used by a particular client transaction.

A running total showing quantity and value of each transaction is visible on the screen, and any errors can be reversed where the transaction type allows.

3. Integrity and Security of Data

Once a transaction has been settled the full transaction details are committed to that users journal and Riposte then replicates these details to all other PC's in the post office. In addition the transaction details are replicated to a remote server within TMS. These PC's and servers are known as nodes which form a Riposte workgroup.

All messages from a single Riposte node are generated in strict sequence and with a unique node identification. The introduction of an additional stream of messages will be detected by Riposte and rejected.

Three techniques are used by Riposte to ensure data integrity. These are CRCs (Character Redundancy Checks) used for all Riposte journal messages, DSA based Digital Signatures used for all data where assurance of content and source are required (i.e. AP records) and Data Encryption used selectively on certain data fields.

All messages in Riposte have a CRC applied when they are initially committed to the journal and this is checked every time the message is accessed. This protects against accidental corruption and casual tampering. Any failure of a CRC check will cause the message to be rejected and retrieved from an alternate node.

When authentication of the origin of data is important (i.e. for AP records), a digital signature is applied to the data prior to transmission and then checked upon receipt. A CRC is

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generated for the data contents, then one-way encrypted and the result encrypted using an DSA private key. Upon receipt the checksum is recovered using the public DSA key and compared with the newly encrypted checksum from the received data. If the results match then the data content and its origin are assured.

Data encryption mechanisms are available and will be used selectively to protect the values of certain data.

Reference is also made to Pathway's responses to Risk 65 and supplementary questions (PWAY065 to PWAY065c inclusive) which concern security of data from OPS to TMS, and the Security Functional Specification.

4. Audit trail

All data captured at a post office counter either as part of a counter transaction or as an administration function (user log-on, teller balance) will form part of a unique transaction which is given a unique reference number by Riposte. The format of this journal entry will vary according to the transaction type but will typically contain :-

Post Office ID
Counter Position ID
Unique Transaction ID
Date
Time
User ID
Application
Transaction Details

Each counter PC contains a journal and all journal entries are automatically replicated to all other members of the workgroup. This will include all the counter PC's in the post office and one of the remote Servers (known as Correspondence Servers) that form part of the TMS. This Correspondence Server forms part of a 'cluster' of Correspondence Servers of which 2 are located on one site and the remaining 2 located on a separate geographic site. All transactions associated with one Correspondence Server are automatically replicated to the other correspondence servers including the two on the other site.
Within each site all transactions are reliably mirrored within a multiple disk array which has no single point of failure.
Once data is stored in the journal it is never altered. New transactions are always appended to the journal. Retrieval of data using a particular key field will retrieve all entries containing that field and logically determine the overall state of the transaction data.

A complete audit trail of all transactions and other significant events is maintained within the post office systems and is automatically available for analysis by both audit access facilities and value added services which are linked to TMS.

5. Data Security and Integrity following failure

The Pathway solution for OPS ensures that data security and integrity is maintained in the event of failures of the OPS. Riposte provides synchronisation facilities which will automatically check the status of the journal for a node when it is re-established following failure. Should the journal be out of step (e.g. through failure of the counter PC) Riposte will

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automatically synchronise the journal and any data files to the same state as all other journals in that workgroup. Synchronisation may occur from another counter PC (in a multi-counter office) or from one of the Correspondence Servers (in a single counter post office).

The data security features described above are not affected by this process and no user intervention is required to effect synchronisation.

Pathway Comment
Nil

Reference No 473

Pathway Response
1. Remote Access to OPS

Users may only log-on to the OPS in their local post office. Any access to data or services outside of the local post office is controlled exclusively by the relevant counter application.

2. User Access to OPS

Authentication of all users logging on to the OPS in the post office is undertaken by the OPS operating system. Full access control and password management facilities are provided. The OPS uses this information to ensure that only authorised staff are allowed access to applications, and then only to those applications for which they have permission. Each user is identified by a unique password. The procedure for logging-on to the OPS is described in the Access Control and User Administration PPD for the applicable Release.

In order that a specific role for POCL Auditors can be created Pathway will need to understand the specific functions that are required to be associated with this role and where these are different from the Post master. The normal user hierarchy would place the Postmaster as the most privileged user with a series of roles and lesser permission levels subservient to this.

If specific functions are required for Audit that are not available to the Post master, then the Audit user would require an independent method of setting the password. In this situation the approach outlined below for lost password and linked to the Audit user would be used.

3. Restricted Functionality

Restrictions to functionality at outlets shall be controlled by Reference Data.

4. Lost Password

The OPS will provide facilities to enable the Postmaster to establish new users and set an initial password for all users in his/her post office. Should a user forget their password the Postmaster can reset the password. The same procedure applies at single counter position post offices and multiple counter position post offices.

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For situations where the sole user (e.g. Postmaster in a single counter office) has lost his password, the OPS will provide the facility to generate a unique key as part of the log on to a specific username (e.g. user SETUP). This will be phoned to the Horizon System Helpdesk who will provide the corresponding key which when input to OPS will allow access to the administration facilities. The user may then reset his user password.

5. Suspend and Resume

A facility which enables users to securely suspend their current session and then to resume the session is provided as part of the overall OPS functionality. The suspend function is invoked by the user using a specific keystroke (e.g. Control + Key) and may be performed at any time providing that there is no counter transaction in progress, or where the transaction integrity may be compromised by allowing a suspension (e.g. part way through a smart card transaction or Banking Transaction). .The suspended session may be resumed by the user entering his password.

Further details on secure timeout are now covered in response to requirement 921.

Pathway Comment
None.

Reference No 474

Pathway Response
1. ICL Pathway will comply with health, safety and legal obligations in respect of OPS equipment as specified in Schedule A02.

2. The OPS equipment and its installation will not constrain POCL and its agents from meeting their legal safety responsibilities as employers.

3. Pathway will prove compliance with legislation or mandatory standards as and when necessary.

Pathway Comment

Reference No 475

Pathway Response
1. Horizon OPS Style Guide

Pathway will produce the Horizon OPS Style Guide which will set out the general guidelines for the Human Computer interface, including screen layouts, systems navigation routes and help and manual entry facilities.

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All counter applications developed for POCL by Pathway will conform to the Horizon OPS Style Guide.

Any changes to the Horizon OPS Style Guide documentation will be agreed with POCL.

2. Human Computer Interface

The HCI for the Pathway OPS is designed to be intuitive and easy to use. The design principles and user interface functionality are drawn from the successful operational experience of An Post. Key facilities that underpin all counter applications are :-

An efficient and intuitive method of transaction selection exploiting touch-screen and function-key driven techniques
A menu hierarchy based on "most used" transactions
Transaction selection which can be invoked by peripheral events e.g. card swipe
A seamless link between transaction selection and counter application
A common and consistent User Interface for transaction selection and counter applications
An indication on screen in the form of a rotating hour glass and warning message when the counter processor is busy

These facilities will greatly assist in achieving the objectives of minimising errors and optimising transaction time.

Pathway Comment
none

Reference No 476

Pathway Response
1. Terminology

For control purposes Pathway believe, that the definition of reference data should be refined to discriminate between Business Reference Data which is essential to the POCL businesses and Operational Reference Data which is controlled by Pathway and is relevant to the management of the Contractors Services.

2. Control of Releases

2.1 Release Principles

POCL require that the Contractor shall undertake the delivery of the POCL Services to meet demanding business requirements. Failure to meet contracted performance targets will incur performance penalties. In order to deliver POCL Services which meet the contracted requirements and performance levels at an economic price it is essential that the Contractor is empowered to manage the all aspects of POCL Service delivery and this must include the control of new releases. Pathway recognises that POCL has a legitimate interest in the

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business functions that are provided by the POCL Service and needs to be assured that the quality of the delivered systems meets the contracted requirements. The processes, tests and quality reviews which are required will be open to POCL and Pathway will particularly seek active participation in tests of business functionality and the Human Computer Interface. It is recommended that Pathway takes complete responsibility for the management of releases in line with the contractual commitments requested by POCL

This section continues with further explanation of the above principle as it applies to the headings provided in the requirement.

2.2 Release Contents

Pathway recommends that the content of a release should require the agreement of POCL with respect to the introduction of new POCL Services or the deletion of existing POCL Services or changes to existing POCL Services which affect the essential business functions of POCL. All such changes to POCL Services should be initiated through contract change control.

For the reasons which are set out above Pathway should retain clear responsibility for all other changes to release contents. Such changes may be justified for many reasons but including for example: contract compliance, quality, technical strategy and cost control.

2.3 Release Distribution Timing

There shall be only two circumstances when POCL should determine the timing of the distribution of new releases. One is when a new Client is connected to the POCL Service for the first time, and the other is where a major new service is being introduced which POCL needs to manage (e.g. NBS). In all other circumstances the control of the distribution of releases should be at the discretion of the Contractor.

2.4 Release Activation Timing

Pathway recommends that the timing of release activation should require the agreement of POCL with respect to the introduction of new POCL Services or the deletion of existing POCL Services or changes to existing POCL Services which affect the essential business functions of POCL. This includes the release of the Business Reference Data which is referred to in Section 1 above. All such changes to POCL Services should be initiated through contract change control and it is anticipated that any particular favourable or unfavourable times for the activation of releases will be declared in the change request.

Pathway believes that in all other circumstances the responsibility for the timing of the activation of new releases should be at the discretion of the Contractor.

3. Release Testing

Pathway will provide evidence that each release has been tested so that it is shown to meet the Service requirements and service levels. POCL will be invited to participate in those tests associated with proving business functionality and Human Computer Interface aspects of new releases. Other evidence will be provided in the form of written test reports and invitations to

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attend quality review meetings. Evidence of testing for major releases of new software and functionality will be provided at the levels of:

Unit Tests

System Test

Representative combinations of hardware and software.

The release testing strategy above is too heavy for testing minor releases of software or for reference data and appropriate procedures will be defined for different classes of release.

4. Preparation For Release

Pathway will complete the testing of major new releases in three steps prior to full distribution of major new releases. These are:

A Test conducted in a simulated post office and operated by real and representative POCL users.

A test of implementation and live operation in a limited number of post offices for a limited period before general distribution.

A test of reversion to the previous release.

The release testing strategy above is too heavy for testing minor releases of software or for reference data and appropriate procedures will be defined by Pathway for different classes of release.

5. No Disruption to Users and the Working Environment

Releases of software and and/or reference data will be distributed across the network and therefore will require minimal user involvement and no significant disruption to users or to the working environment.

6. No Corruption to POCL Data

The data within software and/or reference data is protected at source by a CRC check key which is applied by the Riposte system. Following distribution of the release, the CRC is checked to ensure that no corruption of the data has taken place. The release of software and/or reference data will not cause any corruption to data held on behalf of POCL.

7. Record of Releases

A record of the release of software and reference data which is in use at each post office will be maintained under configuration control within an asset data base which is maintained by Pathway.

Pathway Comment

In responding to requirement at paragraph 2, item (b) we have assumed that "the upgrade path for any release " means new releases beyond the next release. It is apparent that other interpretations of the meaning are possible.

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Reference No 477

Pathway Response
Pathway will support the management of the POCL Services using an OPS asset register which will record all of the physical system components. The OPS asset register will identify all of the Equipment which is installed at each site. A list of the assets at each site will be made available to POCL upon request.

The OPS asset register will contain essential operational information that will support the management and control of both rollout and Operational Services. Including for example:

site address and contact information
site implementation status details
system configuration details
equipment types and serial numbers
software versions
applications versions.

The OPS asset register will be an integral part of a wider Management Information System that supports help desk functions and the management of rollout schedules and Operational Services.

Pathway Comment
None

Reference No 478

Pathway Response
1. The Pathway solution for TMS will link into each instance of OPS that is to be used for production work using an ISDN, VSAT or Frame Relay Wide Area Network connection.

2. TMS supports links into other computer systems through client-specific TMS software Agents. These Agents will reside on the TMS servers and will manage any client specific data manipulation and communications links. Pathway will provide those Agents required to support those host systems and external systems (for NBS this is the NBE) provided as part of the overall Pathway solution.

The service specification, which may include factors such as performance characteristics and interaction with counter systems not included in the AIS and TIS, for additional Agents required to provide links from TMS to other computer systems, including POCL's own systems and those of POCL's clients, will be agreed jointly between Pathway and POCL.

3. Data file collection and delivery

3.1 TMS supports the distribution and collection of electronic data to and from the OPS. This is achieved by the automatic replication of transactions from the OPS in a post office to a

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TMS server. Similarly data provided to TMS from a host system (including the NBE in the case of NBS) is replicated to a set of OPS systems in post offices.

3.2 These processes may be initiated by :-

Operator action - This will comprise the normal operational activities in managing the data transfer from Pathway host systems to TMS, or will comprise the normal actions of the counter clerk in carrying out transactions on OPS.

Once a datafile has been passed to TMS or a counter transaction has been committed within OPS the collection/delivery of this data is automatic.

Time - The time interval between data replication from OPS to TMS may be set according to the urgency of the transaction type. Pathway's solution will optimise any network connection made from TMS to OPS in a post office by replicating any accumulated transactions to TMS.
External message - The requirement for an attached computer system to initiate a data file collection or delivery will be met by the functionality specified within the relevant TMS Agent.

TMS initiated - The Pathway solution for TMS automatically provides data collection / delivery to and from OPS.

3.3 The Pathway solution for TMS automatically replicates data between TMS and OPS, and between individual PC's within a post office OPS. Following a failure of either a TMS node or an OPS node, TMS will automatically synchronise the restored node to an up-to date state. This will include any data file or transaction collection/deliveries that are outstanding.

The recovery facilities available for file transfer between TMS and an attached computer system will be dependent on the precise method of connection and the protocols and file transfer standards that are used. These will be as specified in the appropriate Technical Interface Specification and/or the appropriate Application Interface Specification, each of which will be a CCD.

3.4 A TMS node contains a configuration file which specifically defines the OPS nodes with which it can exchange data. File transfers to/from attached computer systems will be controlled by Pathway operational procedures and by the facilities provided in the jointly specified file transfer method.

4. Messaging capability

4.1 Messaging Switching

TMS will generally provide the facility to pass messages from one attached computer system to another. Such message transfer, with regard to message format, source, destination and verification; will be as specified in the appropriate Application Interface Specification document, each of which will be a CCD. For APS this information is held in a combination of the Application Interface Specification for a particular client and an AP Client Specification for that client. The AP Client Specifications will also be CCDs. Related service levels are as specified in the appropriate Service Levels and Remedies schedule within this Codified

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Agreement and in some cases additional service levels are specified in the relevant AP Client Specification.

Pathway anticipate that this requirement is principally aimed at enabling communication between OPS and other attached Client host systems in support of future counter applications (e.g. links between post offices and DNS to support a savings product).

Subject to the comments below, Pathway is able to develop a facility which enables messages created in one post office to be sent via TMS to another post office. A counter application will enable authorised Users to create messages and address them to another post office using the FAD code / name. A TMS agent will periodically extract these messages and forward them to their destination using a centrally managed directory.

4.2 Message non-delivery

The TMS message Agent would monitor all message-read messages that are created by post offices and at periodic intervals (typically at end of day) reconcile messages sent with messages read. Any non-read messages would result in an advisory message being sent to the originator.

4.3 File processing

Pathway's solution for TMS separates the generic functions of secure and highly resilient transaction management from the client specific requirements for data file processing.

The former are provided as generic facilities for all transactions. The latter are provided in the form of TMS software Agents which are designed to perform specific functions in support of the links and data processing required for individual host systems.

To facilitate the development of these Agents Pathway will supply a set of generic Agents which will form the basis for different forms of host system interaction.

These will include :-

File Distribution - the acquisition of data from client systems and the creation of files for distribution

Client Processing - the collection and formatting of transactions for host systems and the transfer of data to/from host systems

On-Line - enabling an on-line connection to be made from OPS via TMS to a host system

The generic facilities provided by the Pathway Agents will be customised for each specific host system link and will provide the following facilities :-

- validation of data files
- consolidation of many data files into one data file
- generating many data files from one data file
- reformatting the contents of a data file

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- generating control totals through access to the contents of data files
- reconciliation of control totals
- produce reports summarising financial transactions

5. All events that occur either in TMS or in OPS are written to a journal. These journal messages include all the data required to uniquely identify the user, the location, the transaction and the date/time of the transaction. Data, once written to the journal, can never be altered. Information in the journal is available for analysis as required.

6. The facilities that ensure data transfer in TMS is secure, complete, accurate and robust are described in Pathway's response to requirement 467.

Pathway Comment

Pathway believes that the post office-to-post office messaging capability (paragraph 5 above) expressed in this requirement is complex having many characteristics in common with a full E-mail service, including for example the need for directory services. The requirement could incur significant costs when applied to 20,000 offices. We believe that the Message Broadcast facility which is described at requirement 471 may meet many of the POCL needs. Pathway would like further discussion with the POCL regarding the business needs. At present Pathway does not believe the facility is cost effective.

Reference No 479

Pathway Response

1. Connection of Computer Systems to TMS

Pathway will not connect any computer system to TMS without the express authority of POCL.

2. Authorised Connections

2.1 TMS connections to OPS

The Pathway solution for TMS is based on a network of servers which connect to the Pathway OPS equipment in each post office using an ISDN, VSAT or Frame Relay Wide Area Network connection. Configuration files are initially established on each TMS server which restrict its connection to a fixed set of other computer systems. These will be the other TMS servers to which data is replicated and a defined set of post office gateway PC's. These form the servers workgroup. Data replication and message transfer will only occur within this workgroup.

The TMS server configuration files may only be accessed by authorised personnel within Pathway.

Data encryption mechanisms are available and will be used selectively to protect the values of certain data items.

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Reference is also made to Pathway's response to Risk 65 and supplementary questions (PWAY065 to PWAY065c inclusive) which concern security of data from OPS to TMS, and the Security Functional Specification.

2.2 TMS connections to Host Systems

Systems which are provided as part of the overall Pathway solution including for example MIS and System Management will be connected to the TMS using network links. Pathway will establish these systems in secure areas and no unauthorised hosts system will be connected to these networks.

The physical network addresses of these host systems will be contained in the configuration files of the TMS servers to prevent unauthorised access. It is Pathway's intention to exploit Closed User Groups when these become available from the network supplier.

3. Identity Authentication

The authentication of computer systems connecting to TMS is dependant on the protocol used to support the connection to each Client system and the security facilities that it supports.

The Pathway solution for linking TMS to OPS uses ISDN, VSAT or Frame Relay Wide Area Network connection. These links will be protected by VPN technology detailed in the SFS (Security Functional Specification, RS/FSP/001).

Pathway will be pleased to work with POCL to design solutions for Identity Authentication as new Client systems require connection to TMS.

4. Reports

Pathway will provide reports to POCL of any rejected attempts of other computer systems to link to TMS on request.

Pathway Comment
Nil

Reference No 480

Pathway Response
The TMS is logically discrete from other POCL Services such that, in extremis, the service could be separately procured.
Pathway Comment

None

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Reference No 481

Pathway Response
ICL Pathway will provide a set of PPDs that define the OPS operating procedures for use by staff at post offices. The PPDs will include processes for transactions, accounting, balancing, stock taking and action to be taken in the event of an emergency such as a system failure.

ICL Pathway will co-operate with POCL to allow POCL to include instructions from the PPDs in the Horizon System User Guide.

Pathway Comment
None

Reference No 482

Pathway Response
Pathway will agree the PPD format as part of the PPD production process.

Pathway Comment
1. Pathway urgently requests a copy of the POCL identity and communications standards documents be provided well before ITT so that compliance can be assured and correctly priced within the Tender.

2. Pathway is in discussion with POCL to determine the appropriate Identity standards for the Pathway services. We believe that this is important with respect to the Services provided directly to POCL's User community.

Reference No 484

Pathway Response
None.

Pathway Comment
None.

Reference No 485

Pathway Response
The PPDs will be updated when necessary to reflect the new releases of the software so that the information is always current.

Pathway Comment

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None

Reference No 486

Pathway Response
None.

Reference No 487

Pathway Response
Pathway confirms that it will carry out a survey of outlets prior to Roll Out to ascertain what modifications are needed to install the POCL Service Infrastructure. For the avoidance of doubt, Pathway will not carry out any survey of Outlets in relation to PIN Pads.

Pathway Comment
Nil

Reference No 488

Pathway Response
Pathway confirms that the installation and acceptance of the office platform at outlets during Roll Out will be undertaken in one day.

Pathway Comment
None.

Reference No 489

Pathway Response
Pathway confirms that it will disconnect and remove existing automated equipment during Roll Out as specified in the "Installation Strategy".

Reference No 490

Pathway Response
None.

Pathway Comment
None.

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Reference No 491

Pathway Response
Pathway confirms that it will carry out internal office modification work at all outlets necessary to enable the installation of the office platform during Roll Out.

The work that will be undertaken at each outlet will be determined during the survey at each outlet and will include as necessary the:

installation of electrical wiring back to the outlets power distribution box
installation of local area network cables and connections
installation of wide area network cables and connections
any carpentry required at counter positions required to position and connect the OPS equipment.

Pathway Comment
None

Reference No 492

Pathway Response
Pathway confirms that it will conform to all legislation while carrying out modification work to outlets.

Pathway Comment
None

Reference No 493

Pathway Response
Subject to the limitations defined in Annex 5 of Schedule A12, Pathway will provide these POCL Services in accordance with Operational Business Change.

Pathway Comment
None.

Reference No 494

Pathway Response

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Subject to the limitations defined in Annex 5 of Schedule A12, Pathway will provide these POCL Services in accordance with Operational Business Change.

Pathway Comment
It should be recognised that the price of the service charge will depend upon the response time required as well as the number of change requests.

Reference No 495

Pathway Response
Pathway confirm that the equipment will be provided in accordance with the limits set out in Annex 5 to Schedule A12. Deployment of such equipment will be as defined by POCL.

Pathway Comment

Reference No 496

Pathway Response
Pathway believes that it is supplying an OPS POCL Service to POCL and not just equipment. Pathway will supply the equipment at all post offices and other outlets designated by POCL as a part of an OPS POCL Service.

Pathway has proposed to supply equipment for training services in the response to catalogue requirement 463.

Pathway Comment
None.

Reference No 497

Pathway Response
Pathway confirms that it will install the office platform equipment in post office outlets.

Pathway Comment
None

Reference No 498

Pathway Response

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Pathway confirms that the existing systems APT, ECCO+, ALPS and the agreed manual processes will be migrated from current POCL platforms during Roll Out. Pathway will work closely with POCL personnel to plan how best to achieve effective migration. The plans will aim to minimise the work required by post office staff and any necessary discontinuity of the service to customers or clients.
In office data migration shall be carried out in accordance with the Migration Specification.

Pathway Comment
None

Reference No 499

Pathway Response
Pathway confirms that installation will not take place until the POCL Service Infrastructure and associated support services are in place.

Pathway Comment
None

Reference No 500

Pathway Response
Pathway proposes to obtain the agreement of the local postmaster at each outlet and also the Landlord of the premises at each outlet. If agreement is unreasonably withheld during Roll Out then the matter will be referred to the Horizon Implementation Manager for resolution.

Pathway Comment
1. It has been assumed that the modifications referred to here are to the post office outlets.

Reference No 501

Pathway Response
Pathway will ensure that all outlets and regional liaison points are aware of and agree the times and dates of all visits to post offices and other outlets as specified in the "Installation Strategy". Any disagreements during Roll Out will be referred to the Horizon Implementation Manager for resolution.

Pathway Comment
None.

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Reference No 502

Pathway Response
Pathway confirms that it will be careful to minimise any impact upon the post office and retail operations at outlets while carrying out site survey activities. However because the work is required to be undertaken within normal working hours and because many offices are small and congested it would be unprofessional for a Contractor to offer absolutely no degradation of service during a survey. A low level of service degradation must be anticipated on some occasions and expectations set accordingly. Pathway is confident that it can obtain the co-operation of local post masters through its awareness campaign without setting misleading expectations.

ICL Pathway agrees to act in accordance with the Installation Service Level Agreement in Requirement 945 with regard to User satisfaction levels.

Pathway Comment
None.

Reference No 503

Pathway Response
Pathway confirms that it will be careful to minimise any impact upon the post office and retail operations at outlets while carrying out site modification activities. However because the work is required to be undertaken within normal working hours, and because many offices are small and congested it would be unprofessional for a Contractor guarantee no degradation of service during a survey, particularly in a single counter position office. A low level of service degradation must be anticipated on some occasions and expectations should be set accordingly. Pathway is confident that it can obtain the co-operation of local post masters through its awareness campaign without setting misleading expectations.

ICL Pathway agrees to act in accordance with the Installation Service Level Agreement in Requirement 945 with regard to User satisfaction levels.

Pathway Comment
None

Reference No 504

Pathway Response
All existing equipment which matches the specification of the proposed OPS equipment, or which can economically be made to match the specification of the proposed OPS equipment will be utilised by Pathway.

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Pathway Comment
None

Reference No 507

Pathway Response
Unless otherwise agreed with the Regional Liaison Manager and Outlet Manager during Roll Out, Pathway will not install equipment during the peak periods of Christmas and new year, as defined in High Level Counter Infrastructure Rollout Strategy (IM/REQ/025).

Pathway Comment
None.

Reference No 508

Pathway Response
Pathway notes POCL's intentions with respect to the suspension of rollout.

Pathway Comment
None

Reference No 509

Pathway Response
For Roll Out, Pathway will meet this requirement in accordance with the CCD entitled "Horizon Counter Infrastructure Roll Out Survey Requirements Specification (IM/REQ/005)". It is anticipated that the Horizon Implementation Manager would be the decision maker in exceptional cases where agreement could not be obtained from the local outlet manager.
PIN Pads shall be installed in accordance with Schedule G12.

Pathway Comment
None

Reference No 510

Pathway Response
None.

Pathway Comment
None

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Reference No 511

Pathway Response
Pathway confirms that it will be careful to minimise any impact upon the post office and retail operations at outlets while carrying out OPS equipment installation activities. However because the work is required to be undertaken within normal working hours and because many offices are small and congested it would be unprofessional for a Contractor to offer absolutely no degradation of service during installation. A low level of service degradation must be anticipated on some occasions and expectations should be set accordingly. Pathway is confident that it can obtain the co-operation of local post masters through its awareness campaign without setting misleading expectations.

ICL Pathway agrees to act in accordance with the Installation Service Level Agreement in Requirement 945 with regard to User satisfaction levels.

Pathway Comment
None.

Reference No 512

Pathway Response
Pathway confirms that rollout will be undertaken as quickly as possible subject to the over-riding requirement to:.

(i) maintain service and client continuity
(ii) maintain the quality of service delivery to clients and customers
(iii) appropriate support systems including training - being in place
(iv) avoidance of damage to POCL's brand, reputation and integrity
(v) demonstrate the robustness of the approach to rollout in the context of uncertainty and risks
(vi) treat POCL's staff and agents professionally and with respect.

Pathway Comment
None.

Reference No 513

Pathway Response
Pathway would ordinarily expect to agree any future upgrades of the OPS equipment with POCL. However, it should be recognised that the Contractor is required to deliver service outputs against demanding service descriptions, service levels and liquidated damages. It is possible that at some future time that the substitution of equipment is required either to meet

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the contracted requirements or to achieve cost reductions. It is not consistent with the proposed form of contract that POCL should retain a right of veto over the substitution of equipment by the Contractor and Pathway requests that such agreement shall not unreasonably be withheld.

Pathway Comment
Pathway's response is consistent with the assumption that POCL require a complete managed service contract which is under written by remedies. If this remains the POCL objective then it is critical that the Contractor be empowered to manage the contract so as to deliver the contracted service outputs. If on the other hand POCL require to participate in the day to day operational management of the POCL Services then other contractual arrangements should be considered and discussed between Pathway and POCL.

Reference No 514

Pathway Response
For Rollout the process for determining that individual POCL Premises are ready to go live will be that one of the staff representing an Outlet will be asked to confirm in writing that the following criteria have been met:

a) that they have witnessed the hardware test of the components installed at each counter, and that the equipment is working; and

b) that the equipment has been installed and positioned in accordance with the agreed survey sketch..

Pathway will install the equipment during Rollout in line with the agreed plan, schedule and acceptance criteria. If subsequently POCL requires to modify these, then such modifications shall be agreed under the Change Control Procedure.

Pathway Comment
None.

Reference No 516

Pathway Response
The content of the Roll Out plan is specified in High Level Counter Infrastructure Roll Out Strategy, IM/STR/025. If subsequently, POCL wishes to change this plan, then agreement will not unreasonably be withheld by Pathway. If such changes incur additional costs or delay the achievement of revenue then Pathway proposes to make a charge to POCL to compensate for the loss.

Pathway Comment
Nil

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Reference No 517

Pathway Response
The modifications will be completed in one visit to the Outlet. ISDN, VSAT or Frame Relay lines installation may be carried out separately and with prior notification to the Horizon Implementation Manager and / or Outlet Manager (approval not required for ISDN, VSAT or Frame Relay installation provided that it is carried out during the normal working hours of the relevant office).

It is recognised that modification work in larger offices, i.e. those with more than six (6) counter positions may need to span more than one day. In these, or other exceptional circumstances, arrangements to complete such work over more than one day will be made in accordance with the "Scheduling Strategy".

Pathway Comment
None

Reference No 518

Pathway Response
Pathway confirms that post office modifications surveys will be completed in one visit to the outlet.

Pathway Comment
None

Reference No 519

Pathway Response
During Operational Services, Pathway understands that changes will be required by POCL to the configuration of post offices. Changes will include the provision and installation of equipment both to completely new outlets and to existing outlets at counter positions that were previously unequipped.

Pathway will undertake these changes in accordance with Operational Business Change

Pathway Comment
None.

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Reference No 520

Pathway Response
Pathway confirms that all agreed support services will be available from day 1 in line with agreed service levels, as applicable to Roll Out

Pathway Comment
None

Reference No 521

Pathway Response
1. Pathway intends that the Horizon System Helpdesk will be provided with a single telephone number.

2. The telephone number will provide multiple line access to its help desk in accordance with observed and predicted demand for service.

3. The Horizon System Helpdesk will be served by dedicated Automatic Call Direction (ACD) equipment which will ensure that calls are directed to an available help desk operator and answered in accordance within agreed service performance times.

Pathway Comment
Pathway recommends the lower cost option of providing one telephone number for the help desk, served by ACD equipment controlling multiple lines.

Reference No 522

Pathway Response
Pathway will employ an '0345' local call for telephone access to the Horizon System Helpdesk.

Pathway Comment
None.

Reference No 523

Pathway Response
1 Pathway's support services will provide all appropriate support necessary to ensure the continuous and efficient operation of the POCL Infrastructure Service at all times from day 1.

2 Pathway will ensure that its services are capable of providing agreed levels of support to all users that may contractually have access to its systems.

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3 The support services will cover all aspects of Pathway's solution from end to end, including the operational interfaces from Pathway's systems to those of POCL and their clients.

4 Pathway will provide support to all other help desk operators contractually nominated by POCL that may require assistance to resolve problems associated with Pathway's operational services. Such support will be provided in accordance with operational procedures that may be agreed between POCL and ICL Pathway from time to time.

Pathway Comment

1 POCL to confirm the identity and contractual requirements for the operation of systems interfaces between Pathway and POCL and their clients.

2 POCL to confirm the identity and contractual requirements for the Horizon System Helpdesk to provide service support to other help desk facilities.

Reference No 524

Pathway Response

1. The Horizon System Helpdesk service will deal with all calls relating to the operation, configuration and end-user support of counter terminal equipment, their operating systems software, application software and processes.

2. Requests for support will be categorised according to type such as hardware, software, network, advice & guidance, configuration, etc.

3. The Horizon System Helpdesk service will provide problem and fault diagnosis and will control any necessary hardware or software maintenance activities.

4. Each call will be logged and progressed to its successful resolution within agreed service levels.

5. A list of call types and meaningful description will be defined in the Horizon System Helpdesk PPD (for the current release).

Pathway Comment

1. Requests for support services and their resolution will be analysed regularly so that service problems may be quickly identified and actions taken to eliminate them. The analysis will also readily identify the need for any end-user skills or awareness training.

Reference No 525

Pathway Response

1. From day 1, throughout the roll-out period and beyond, the Horizon System Helpdesk service will provide access to additional agreed services as necessary.

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2. These services will include access to training facilities, training materials and operational support documentation.

3. If POCL contracts to procure consumables from Pathway, then Pathway will provide supplies of consumables such as special stationery and post office printer supplies which may be ordered through the Horizon System Helpdesk.

4. If POCL contracts to procure consumables from Pathway, then small, emergency supplies of consumables will be provided by ICL Pathway optionally at extra cost. These may be ordered through the Horizon System Helpdesk for delivery by courier within 24 hours.

Pathway Comment

1. Pathway proposes that post masters should be responsible for maintaining an adequate stock of consumable materials.

2. Pathway will analyse post office transactions in order to develop algorithms, for use by post masters, which can help them to predict future usage of consumable stock.

Reference No 526

Pathway Response

1. Pathway will ensure that all reported incidents are resolved within agreed service performance levels and in conformance with agreed operational procedures.

2. A comprehensive analysis of all incidents, their cause and resolution and the service levels achieved will be produced at agreed intervals for review jointly by POCL's and Pathway's service managers.

Pathway Comment

None

Reference No 527

Pathway Response

1. ICL Pathway will provide a dedicated helpdesk service to support the POCL Horizon services.

2. The Horizon System Helpdesk will be staffed by fully trained, qualified and experienced personnel operating in conjunction with the "Horizon System Helpdesk PPD" for the current release and to service levels as defined in Schedule G10.

Pathway Comment

None

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Reference No 528

Pathway Response
In the circumstances that a caller makes an inappropriate call to the Horizon System Helpdesk the call will be answered in accordance with the Service Levels set out in Schedule G10 and the caller will be informed and re-directed to the correct destination.

Pathway Comment
None

Reference No 529

Pathway Response
ICL Pathway's Helpdesk service will comply with the "Horizon System Helpdesk PPD" for the current release.

Pathway Comment
None.

Reference No 530

Pathway Response
Deleted in line with Requirement.

Pathway Comment
None.

Reference No 531

Pathway Response
ICL Pathway's solution for training is defined in the Training and User Awareness Baseline Document, reference BP/TRN/001.

Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used for competency tests is based on these training matrices and is defined in the document Training Development and Sign-Off, reference IM/PRO/134.

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Users who fail a competency test during Live Trial and national Rollout will attend a remedial training event. This is defined in ICL Pathway's Remedial Training document reference SU/TRN/006. This applies to Outlets up to site acceptance i.e. up to 2 days from installation. Remedial training after installation and Outlet go live will be the responsibility of POCL.

All POCL target audiences, job roles and user groups have been identified by POCL and have been defined in ICL Pathway's Training Needs Analysis document reference SU/TRN/0001.

Pathway Comment
None

Reference No 532

Pathway Response
ICL Pathway has proposed to train POCL's own trainers in the use of the OPS service for new and existing staff and for minor new Releases. ICL Pathway will undertake additional training for major new Releases which will be subject to the Change Control Procedure.

Pathway Comment
None

Reference No 533

Pathway Response
Pathway confirms that the solution for training includes the capability to train users on the live system using a training mode of operation, which can be invoked at any time, and is a permanent feature of the system. Training mode operation is protected by user names and passwords which are separate from those of live operation. While using the training mode both the users and system are prevented from interfering with live data transfer and data integrity. NBS is excluded from Training mode.

Pathway Comment
None

Reference No 534

Pathway Response
Pathway confirms that its solution for training as it applies to Roll Out takes account of automated products and experience of existing system platforms. The Training Needs Analysis document, ref SU/TRN/0001, takes account of the different kinds of user and their different propensities to learn new skills. The proposal includes ongoing training requirements for POCL to fulfil using their own trainers, and support for individuals who change their roles up to two weeks before attending an ICL Pathway training course. This is detailed in the Training and User Awareness Baseline Document, ref BP/TRN/001.

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Pathway Comment
None

Reference No 536

Pathway Response
1. Pathway confirms that peripheral input devices supplied as part of the OPS will be reliable, robust and easy to use.

2. Pathway confirms that peripheral and input devices supplied as part of the OPS will be capable of detecting contention, premature removal and swapping of tokens as appropriate.

Pathway Comment
None

Reference No 537

Pathway Response
The Pathway strategy for System Management will comprises a set of services as follows:

Software repository - the storage and maintenance of records identifying what software versions are stored on what machines.

Software distribution - the scheduling of software upgrades to a defined set of machines.

Event management - the notification of significant events to a central source.

Asset management - the storage and maintenance of information on the existence / type of machines and associated peripherals.

Configuration management - the non-static configuration parameters that drive the applications and operating system. This includes Resource Monitoring and Network Management

In the delivery of these System Management activities as applied to services provided to POCL, the operational procedures developed and the technology applied will be exploited to achieve the required quality attributes including consistency, accuracy, reliability, speed and agility in responding to failures.

For example some of these services provide dynamic information on the state of operating entities - such as applications and operating systems. Event management is such a service. Coherence and consistency within a homogenous set of applications and operating system is achieved through standard naming conventions for the identification of applications and standard methods of invoking the event are obeyed. This will allow for example selected

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events to automatically raise help calls pro-actively thus initiating a corrective action response.

Furthermore a consistent approach to event management populates the Help knowledge database with reliable information such that further similar incidents can be recognised and resolved.
By contrast other services manipulate by comparison various static data such as the existence of machines and software packages stored on these machine against the current configuration parameters associated with these packages. Again a common naming standard for this persistent data will be adopted to achieve consistency and coherency.

As such we have opportunities to engineer coherence and consistency at a meta level above, for example, specific types of operating systems. The delivery of this information will be in databases at the central systems. These will contain a consolidated central view of the overall system and from this logical view we can derive (and automatically deliver) the parameters required to drive the applications and sub-systems that work together to deliver the required functionality.

Pathway can thus ensure that if a common configuration is required for all instances of an application then that configuration is uniquely defined in the central database or where the configuration of different applications share common information that common information is again derived from a common source.

Pathway Comment
None.

Reference No 538

Pathway Response
1. The overall Pathway solution comprises a set of central host systems together with a number of TMS servers. These servers will be installed in two data centres, each having the capability to provide all the services. The post office network comprises a PC configuration at every counter position.

When the central systems are installed rigorous operational procedures will ensure that all system data, including date and time, are consistent. The systems management service will have the facility to interrogate all servers to check for a consistent date/time. This will typically be done whenever there is a need to replace equipment, whenever a general clock change occurs, and as part of regular system housekeeping.

The counter PC's will have their date/time set prior to installation in a post office, or prior to any replacement. Upon installation a link will be established to the central TMS and System Management Service to download configuration details and other data.

Facilities within TMS will automatically synchronise the time between TMS servers and also with the counter PC's.

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2. Time changes due to British Summer Time

The TMS and OPS systems will be based on Windows-NT. This operating system has automatic algorithms for handling clock changes due to BST. No user action is required.

3. Local Time and GMT

Pathway understand that the requirement for using local time may arise with certain AP transactions. In this case any adjustments for particular AP transactions would be handled within the AP application. Pathway will require a description of which transactions are affected and the nature of the adjustment.

Pathway Comment
Time synchronisation is within the Pathway domain, and there is no time synchronisation with external systems (e.g. NBE).

Reference No 539

Pathway Response
1. Maintenance of reference data

Pathway will support and maintain both system and application related reference data for an outlet. System related data comprises information that relates to the state of the outlet and its associated software base (e.g. event management details, software version numbers). Application related data comprises information that relates to particular transactions (e.g. price of a stamp, check digit algorithm for an AP client).

1.1 Maintenance of System related reference data

The Pathway Systems Management Service will use Tivoli TME to provide the functions required to store and maintain reference data and to manage its distribution and activation. This will comprise a single Asset and Configuration database which provides a central logical view of which systems are associated with which versions of various files, including reference data. Pathway will use rigorous change management processes to control the rate and nature of changes to the software inventory and these will involve a co-ordinated approach with the originator of any external data including POCL and external clients.

The Tivoli supports a central repository, which will contain various objects including reference data, together with a supporting distribution infrastructure.

The distribution infrastructure comprises the components that move those files that constitute a single software package and also the instructions that prescribe how the package is to be installed.

The software package is stored on a number of TME Management servers at each Pathway central site. A Tivoli Software Distribution job will invoke the distribution of data, such as new reference data to those sites that require it, and Tivoli Client Software residing on the

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client system will interpret the instructions from the Management server and install the software as required.

1.2 Maintenance of Application related reference data

Reference data supplied to Pathway by POCL and/or POCL clients will be stored and maintained in Pathway's Reference Data Management Centre database system. The information will be transmitted to Pathway in the format defined for the relevant application interface specification (AIS) for example, Application Interface Specification Reference Data to Pathway or Application Interface Specification Reference Data to Pathway Non-automated Type B Data. Control of data flow and validation will be according to Operational Business Change processes and procedures specified in 'ICL Pathway/POCL Interface Agreement for Operational Business Change – Product' (CS/PRD/058).

Each item of Reference Data will be associated with all (core products) or some (non-core) post offices, which will have previously been defined, in order to support the distribution process.

This information will then be processed, as determined by the effective date of the new or changed reference data, and introduced to TMS. TMS will then distribute the data where it will be activated and held within the outlet as a permanent object.

2. Use of external reference data

Pathway recognises that some reference data will be provided directly from external client systems for example AP client systems. The information will be specified and transferred to Pathway according to the 'Pathway to HAPS Application Interface Specification (Horizon Release 2+)' or the relevant application interface as specified in 'AP Client Specification'.

Operational processes and procedures will be in accordance with the Operational Business Change processes and procedures described in section 1.2 above.

Where external client systems provide reference data to Pathway via POCL such data will be handled as if it were data supplied directly by POCL as described above.

3. Implementation timescales

Pathway recognises that some Reference Data items may be subject to a fast implementation for example as required by a Budget change. Timescales are detailed in 'ICL Pathway/POCL Interface Agreement for Operational Business Change – Product' (CS/PRD/058).

Pathway Comment
None.

Reference No 540

Pathway Response

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1. Environmental Considerations

An important factor in Pathway's selection of equipment suppliers for OPS has been their approach to environmental considerations particularly in the materials policy, production processes and recycling.

Key considerations are that the products should not contain materials that endanger the user when used in the post office environment, and that the manufacturing process avoids the use of toxic emissions and has the capability to recycle as much of the product materials as possible.

One of the key components in the OPS is the PC and Pathway have selected ICL as the supplier. ICL is committed to protecting every part of the environment by compliance with existing environmental legislation and anticipating future moves such as the TCO 6E scheme. Some examples include :-

ICL stopped using PVC many years ago in favour of ABS for the plastic casings. This avoids the problem of hydrochloric acid formation when the PVC plastic is burnt. Other components such as the keyboard also use ABS for the plastic casing and all components are selected for their ability to be recycled.

Brominated flame retardants have not been used since 1989.

Only capacitors that do not contain PCB and batteries that are cadmium-free are used.

The majority of the components of the PC can be recycled and used for making other goods. All plastic parts are labelled with the type material they are composed of.

Where ICL has responsibility for equipment disposal, the following process is followed. All parts suitable for spare parts are removed and reprocessed. The scrap is roughly sorted into metals, precious metals , glass and plastics. Batteries and some other items are sent for special treatment. All metals are processed by specialist firms. ABS plastics are stored at present awaiting the development of suitable re-cycling process. All cathode ray tubes go to an aluminium factory for crushing and, after washing, the crushed glass is dumped.

The production process for the electronic circuit boards requires that the PCB's are washed to remove metal chips and chemical residues. This process does not use either CFC compounds or Freon based detergents due to the environmental harm these chemicals can cause. All PCBs are washed in mild detergent prior to component soldering. The precious metals are separated from the soldering machine tin ash for reuse.

The equipment is packed in cardboard boxes with styrox packaging which can be burnt without harmful effects. A self closing box eliminates the need for glue, tape or staples.

2. Duty of care

Pathway will comply with all relevant environmental legislation and will generally exercise a responsibility for "Duty of Care".

Pathway Comment
None

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Reference No 541

Pathway Response

1. TMS scalability

Pathway have submitted a paper to POCL which addresses Risk 9 - the scalability of the central TMS facilities. Ref: Risk : PWY000009 - Part 3, version 2 dated 158/12/95.

The analysis in this paper shows that there are no constraints on the scaling of the central TMS service or of the underlying network infrastructure to meet the workload volumes projected. The modular nature of TMS and the network enables additional system resources to added to accommodate any workload growth.

Monitoring of traffic patterns and actual system resource usage will be undertaken during operational trials and early system usage. This will be used to ensure the optimum deployment of the TMS components.

2. Future transaction requirements

Pathway recognise and support POCL's strategy to introduce new business transactions and understand that these may require access to central host systems for authorisation or data access/update. An example of this type of transaction is in operation now in An Post (an on-line Savings system) and Pathway would implement such links using a TMS agent to provide the specific Client data exchanges.

Pathway Comment

None

Reference No 542

Pathway Response

Pathway will provide support for all software running on Pathway computer systems whilst they are supporting services provided to POCL.

These support services will be managed by Pathway and will be sub-contracted to a variety of Pathway service providers.

Support to Pathway for core operating systems (e.g. Windows-NT) will be provided by Fujitsu Services Ltd. Recourse to Microsoft where required will use current well established support routes.

Support for middleware (e.g. TMS and TMS Agents) will be provided by Pathway's own support and development resources.

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Support for applications software will be provided to Pathway by the software development sub-contractor. This will include Oracle and Pathway's own support and development resources.

Pathway Comment
None.

Reference No 543

Pathway Response
Pathway confirms that the APS will support the following range of tokens:

1. Landis & Gyr PISCES smart Card
2. GEC Meters WATERCARD smart card
3. Schlumberger Smart Card for the water industry
4. Schlumberger Smart Card for the electrical industry
5. Magnetic stripe card
6. British Gas Quantum smart card
7. Bar coded documents
8. British Gas Trading SPM Smart Token.

It is pointed out that some of the tokens listed above operate to proprietary standards and specifications also the device driver software is not currently available to Contractors.

Support for these tokens is dependant upon receiving the specifications and the availability and licensing of the necessary device driver software.

The support of the Quantum and SPM Smart Tokens is dependent on the provision by POCL of software developed by Siemens Metering Ltd. The protection afforded by ICL to this Siemens code and data is described in the ICL document *Statements on Security Objectives and Methods for the protection of Siemens Metering Code and Data.*

Pathway Comment
None.

Reference No 544

Pathway Response
1. The Contractor's APS will provide support for all the current transactions required by POCL's AP Clients within the counter application and in the TMS Agent for AP data extraction. The interfaces required to support the Quantum token are defined in Pathway to CQO Application Interface Specification and Pathway to CQO Technical Interface Specification. The interfaces required to support the British Gas Trading SPM Smart Token are defined in Pathway to SPM Application Interface Specification and AP Client Generic Technical Interface Specification.

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2. The Pathway APS can support the addition, modification or removal of Clients or Client Service Types. A generic In-Pay data capture screen is provided which supports the capture of the specific Client transaction details. Transactions that support new Client Service Types (i.e. a new OCR bill type, a new barcoded bill type) can be quickly introduced through a simple parameterised process which will define details such as format, validation etc.

Entirely new AP Client transactions (new token type or additional data items to be processed) may require the development of additional data capture screens. The connection between ICL Pathway and a new AP Client will be established using the APS Client Connection Service Description.

3. Pathway will provide reasonable assistance to POCL in the implementation of interfaces to additional third party applications or tokens.

4. Pathway will provide reasonable technical assistance in support of POCL's relationship with Clients and potential Clients.

5. The Pathway APS provides a generic method of defining peripheral types and transaction types. The counter application is developed using Microsoft Visual Basic. These techniques enable additional Client Service Types to be added in a cost effective and efficient manner.

Pathway Comment
None

Reference No 545

Pathway Response

1. The Contractor shall provide technical and overview documentation describing the APS. The documentation shall be of sufficient detail so as to allow POCL to market the Service to Clients and potential Clients and to consider the suitability of additional Services.

The Contractor together with POCL shall agree the content of the documentation prior to its production and also prior to introducing any subsequent changes. The Contractor requires the active participation of POCL to support the production of the documentation.

2. The Contractor shall produce a Client Specification for each AP Client that requires AP Transactions to be transferred directly between the Client (or Girobank) and the Contractor. This excludes the period during which the Client's interface is supported directly from HAPS in accordance with the Contractor's solution to requirement 552. This specification shall specify the details of the AP Client, the required Tokens and the APS Client Service Type(s) , the Client interface specification, the presentation of information on the OPS, the data involved and any necessary timings.

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The AP Client Specification shall include:

a) Client identity and overview

- Identifies the client for whom a specific instance of the APS is to be provided and provides an overview of the business objectives.
- Identifies the respective responsibilities of Pathway, POCL and the Client organisation.

b) Tokens and Methods of payment

- A description of the token(s) that the client requires its customers to use and the method(s) of payment that are acceptable to the client.

c) Technical Specification

- Identification of the service and system boundary between the Pathway service and system and the other services and systems.
- Specification of telecommunications links and associated protocols.

d) Transaction data

- Contents
- Validation
- Customisation
- Batching
- Transfer

e) Other Data

- Contents
- Validation
- Availability

f) Operations

- Operational hours
- Operational procedures
- Fault diagnosis procedures
- Operational review procedures

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- Service Levels

Pathway will require the active participation of POCL and the Client organisations to support the production of the documentation.

3 In the period during which the Client's interface is supported directly from HAPS the details of the tokens to be supported will be supplied by POCL in the form of a Client Take-on pack as defined in the "AP Client Take on Process". The operational processes associated with the HAPS interface between POCL and ICL Pathway will be defined in the "HAPS Gateway Operations Guide".

Pathway Comment
None.

Reference No 546

Pathway Response
1. Pathway confirms that it will deliver the APS using the POCL Strategic Infrastructure, that is the OPS and the TMS.

2. Pathway confirms that the APS shall be available at all counter positions where the OPS is installed to meet or exceed the requirement as specified by POCL in the ITT. Subsequent changes to the initial requirement will require commercial negotiation and change control. Pathway's intention will be to install equipment at the outset which will have as long a useful life as possible to minimise obsolescence costs and disruption in post offices.

3. Pathway shall ensure that the availability of each Client Service Type at each Outlet is individually controllable via Reference Data records.

Pathway Comment
1. In order to Price the APS service transactions within the Tender, the Contractor will need to assess future transaction types and the respective volumes also the number of counter positions.

2. Pathway may propose limits on the volume of individual APS components to reflect the defined or assumed business need.

Reference No 547

Pathway Response
1. Pathway confirms that data will be captured correctly, accurately and securely.

2. Pathway confirms that the APS will validate data read from Tokens or entered by the User in accordance with a set of rules identified in the AP Client Specification document.

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3. Pathway confirms that the APS will check data read from Tokens or entered by the user against any valid Client Data or reference data for the Client Service Type (e.g. stop lists) and take the action prescribed in the AP Client Specification or Token Technology Specification.

4. Pathway confirms the APS shall enable the display of user instructions specific to a Client Service Type as identified in the AP Client Specification.

Pathway Comment

1. The POCL meaning of the word "robustly" in the context of data capture is not understood and therefore it has not been committed.

Reference No 548

Pathway Response

1. Transaction committal

AP transactions using smart tokens will be committed to the local journal as soon as they have been completed. Other AP transactions will be committed at the end of the customer session which may include other non-AP transactions.

A non-smart AP transaction once completed may not be voided within the session in which it took place even though it is not committed to the journal until the end of the session. This is because a receipt will have been printed at the time of the transaction. Should it be necessary to reverse the transaction then this may be achieved using ordinary reversal facilities in a subsequent session.

This process will occur when :-

(i) monies have been accepted
(ii) a transaction has been reversed. It should be noted that the original transaction is never altered and that any subsequent and related transactions are added to the journal.
(iii) a Token has been issued
(iv) a Smart Token has been accessed (including an abandoned or enquiry transaction).

Pathway Comment

None

Reference No 549

Pathway Response

1. Transaction Reversals

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The Pathway solution for AP provides the facility to reverse eligible transactions. This process may only take place at the post office where the original transaction took place.

The behaviour described in response to requirement 804 will also apply to AP transactions.

The transaction details from the original receipt (principally the account number) will be used to identify the relevant transaction.

There will be a limited time within which a reversal can take place and this is expected to be contained within one business day for the post office.

The process will operate to the rules described in :-

POCL Automated Payments Generic Rules
Token Technology Specifications
AP Client Specification

All transactions are progressively replicated to TMS for processing by the TMS AP Agent. The end-of-day marker from a post office is used as the trigger for accumulating Client specific transactions and forwarding them according to the rules in the above, last-listed document. The net results of any transaction reversals will be determined and the relevant details passed to POCL/POCL Client.

2. Audit capabilities

All transactions that occur at every post office are recorded in the User local journal which is replicated within the post office and to the central TMS. A journal entry, once written is never altered. Details can be retrieved from the journal by suitably authorised personnel to provide a full audit trail of all activities including transaction reversals.

Pathway Comment

1. The provision of specifications for each class of Token (Bar-code, Magnetic Card, Smart Card, Smart Key) is a POCL responsibility. Pathway will agree these specifications, such agreement not to be unreasonably withheld.

Reference No 550

Pathway Response

1. The Pathway AP system will write data to APS Tokens in accordance with the rules identified in the appropriate Token Technology Specification, AP Client Specification and POCL Automated Payments Generic Rules.

Pathway Comment

Pathway understand that the software required to support access to the PISCES and WATERCARD smart cards and the SCHLUMBERGER Smart Key will not be provided to the Contractor until after contract award. The earliest availability of the specifications of this

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software would ensure the precise requirements of POCL and their Clients are met in a timely manner.

Reference No 551

Pathway Response

1. A receipt will be produced for each committed transaction.

2. The receipt will contain information as specified in the appropriate AP Client Specification and Token technology Specification.

3. The reversal receipt will be identified as such and will contain the account number of the original transaction together with details of the date and time when the original transaction took place.

4. The AP counter application displays details of the transaction on the counter terminal. These include transaction type, method of payment, value and account number. In the event of counter printer failure these can be transcribed onto a manual receipt. Where the transaction is supported by a magnetic card, these details would be transcribed using a card imprinter.

5. Welsh/English receipts will be produced in all relevant outlets.

6. The Pathway solution for OPS will retain all transaction information in the local post office for up to two Cash Account periods. This will enable information retrieval to take place by suitable authorised personnel.

Pathway Comment

1. The types of information retrieval in the post office and the facilities to be provided are specified in the Service Architecture Design Document.

2. The provision of specifications for each class of Token (Bar-code, Magnetic Card, Smart Card, Smart Key) is a POCL responsibility. Pathway will agree these specifications, such agreement not to be unreasonably withheld.

Reference No 552

Pathway Response

1. The Contractor confirms that from a date which shall be no later than the CS Completion Date, the APS shall maintain and deliver committed transactions to POCL and Clients in accordance with appropriate AP Client Specification. Up until the CS Completion Date or earlier if appropriate, Client Transaction interfaces shall be supported directly from HAPS and shall be transferred to the Contractor as described in the "AP Client Migration Strategy". During this period Transactions shall be passed between the Contractor and HAPS in accordance with the "Pathway to HAPS Interface Specification" or in accordance with the

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"Pathway to HAPS Application Interface Specification (Horizon Release 2+)" and the "Pathway to HAPS Technical Interface Specification" dependent on the Release in question.

2. The provision of specifications for each class of Token (Bar-code, Magnetic Card, Smart Card, Smart Key) is a POCL responsibility. The Contractor shall agree these specifications, such agreement not to be unreasonably withheld.

Pathway Comment
None

Reference No 553

Pathway Response

1. The Contractor confirms that Data Files from POCL and Clients shall be either collected or received and validated in accordance with the relevant AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules. Such data file collection and receipt will be based upon the "Pathway to Client Generic Technical Interface Specification" and an agreed AP Client application interface specification. Up until the CS Completion Date or earlier if appropriate, Client data interfaces shall be supported directly from HAPS and shall be transferred to the Contractor as described in the "AP Client Migration Strategy". During this period Client data shall be passed between the Contractor and HAPS in accordance with the "Pathway to HAPS Interface Specification" or in accordance with the "Pathway to HAPS Application Interface Specification (Horizon Release 2+)" and the "Pathway to HAPS Technical Interface Specification", dependent on the Release in question.

2. The Contractor confirms that Data Files from POCL and Clients shall be available to all groups of Outlets or specific Outlets in accordance with the appropriate AP Client Specification, Token Technology Specification and POCL Automated Payments Generic Rules.

Pathway Comment

The provision of specifications for each class of Token (Bar-code, Magnetic Card, Smart Card, Smart Key) is a POCL responsibility. The Contractor shall agree these specifications, such agreement not to be unreasonably withheld.

Reference No 554

Pathway Response
1. APS fallback strategy

The Pathway solution for the Automated Payments Service comprises a counter application and supporting peripherals which operate within the overall OPS counter applications environment. Each post office counter is equipped with a PC configuration and each

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configuration runs its own copy of the AP application and has its own set of supporting peripherals.

The failure conditions that will affect the ability of a post office to provide the AP service are limited to the failure of a PC at a single counter post office, and the failure of the Smart Card / Smart Key reader at a counter.

The distributed nature of the Pathway solution means that a single counter failure in a multiple counter post office will not affect their ability to provide an AP service from the remaining counters. The provision of the AP service is not affected by failures that may occur in either central systems or the network.

1.1 Single Counter PC failure

A single counter PC failure will result in the post office providing a manual AP service for transactions supported by magnetic card or by a paper bill. Magnetic card supported transactions will be recorded by a card imprinter (zip-zap) onto a two-part AP voucher. Paper supported transactions will be recorded by retaining the paper bill.The post office copy of this voucher will be used by the post master to enter the transaction using a suitable data entry facility when the post office counter is restored to service.

1.2 Smart Card/Smart Key failure

No Smart Card/Key transactions can take place until the failed unit is replaced.

1.3 Failure probability and impact

Failure Incidence Impact
Total loss of PC at single counter post office. The failure rate of the PC is 4 hours outage every 1200 days, assuming the PC is not turned off. This equates to one failure per counter every four years. Manual AP vouchers will have to be produced using the zip-zap system or manual transcription. Data from the post office copy of these vouchers will be used to enter the transaction details locally.
Loss of Smart Card reader at a counter. The failure rate of the Smart Card reader is one fail every 300,000 reads or 4 hours outage every 1800 days. This equates to one fail per counter every six years. See note below.(assuming 50k reads per counter per year - Scenario 3 year 2000/01 - Workload Brief version 1.2) No Smart-Card transactions can take place while the reader is awaiting replacement."

Note: The scenario described is that of a combined Magnetic card/Smart card reader, such that any fail will require a whole unit replacement.

Applying these failure rates to the workload volumes provided in the Workload Brief gives the following.

PC failure Smart Card failure
Year 1996/97 Scenario 1: 76 manual vouchers produced per day; 0.0022 % of total / day; 59 transactions not possible; 0.0009 % of total / day.

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Year 2000/01 Scenario 5 (BA) and Scenario 4 (POCL): 367 manual vouchers produced per day; 0.0075 % of total / day; 422 transactions not possible; 0.0019 % of total / day.

2. Recovery to a known state

The Pathway AP counter application does not complete a transaction until the data is known to have been committed to the local journal. The User is always fully aware of whether a transaction is complete or not. All transactions, once committed to the Users local journal are replicated to all other PC's in the post office and to the central TMS server. When a failed unit is replaced it will automatically synchronise with other nodes in its workgroup and restore all previous transactions.

3. Data Corruption

All transaction details are recorded in the users local journal and are appended with a CRC. This is checked every time the record is accessed and in the event that the record has become corrupt it will be discarded and retrieved from another node within the post office or from the TMS servers.

4. Lost transaction data

It is not possible for transaction data to be lost within the Pathway solution for OPS or any of the applications it supports. Transactions once committed to a users local journal are automatically replicated to other nodes in the post office and the central TMS system. Any nodes which have to be replaced are automatically re-synchronised from other nodes within the post office or the central TMS service.

5. Re-Input of transaction data

The Pathway solution for AP will only require manual transactions to be created should a single counter configuration fail. Manually recorded AP transactions will be input to the AP system once the OPS is re-established.

Magnetic Card supported transactions may be input using details from the receipt. They would be recorded as a keyed entry.

Smart Card/Key transactions cannot take place when a single counter PC has failed.

6. Data Recovery

Data recovery, or synchronisation, takes place automatically following the replacement of a counter PC. There will be no loss of service on any of the other configurations in the post office while this takes place.

7. Receipts for recovered transactions

The AP system need not produce a receipt for any recovered transactions.

8. Validation Rules for recovered transactions

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The AP system will conform to the POCL Automated Payments Generic Rules.

Pathway Comment
None

Reference No 555

Pathway Response
1. OPS initial implementation facilities

1.1 All OPS outlets will have the capability to read track 2 magnetic cards complying with ISO 7811 parts 1-4.

1.2 All OPS outlets will have the capability to read/write to Smart Cards complying with ISO 7816 parts 1 and 2, and/or ISO 7816 parts 1,2 and 3. Future support for ISO 7816 part 4 will be provided.

1.3 Support for non standard cards may be possible and will be assessed on an individual basis. Pathway would require specific examples of any Cards which POCL require to be supported in order to provide a complete impact assessment, but they are not expected to be very significant. General areas such as non standard embossing may impact the design of the manual AP voucher. Non standard data on the magnetic stripe would need to be reflected in the data validation definition of the relevant application.

1.4 Pathway will supply a hand held bar code scanner capable of reading at least 10.9 cm bar codes at 9mils resolution. The codes supported will be at least Code 128, EAN8, EAN 13, code 39.

2. EPOS initial implementation facilities

Pathway confirm that in all outlets where EPOS is required the Pathway EPOS solution will :-

2.1 Provide support for manually fed pre-printed forms at the counter by using an impact slip printer mechanism provided at the counter as part of the counter PC configuration. The slip printer will print Girobank summary forms G4631, G4632 and G4633.

2.2 Provide support for Cheque printing together with a range of other forms at the counter using the same slip printer mechanism.

2.3 Support the printing of Client reports specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005, including the Girobank Daily Record forms. Support is provided for multiple font sets and 90 degree rotation printing so that the Girobank forms referred to at 2.1 above can be printed.

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2.4 Support the connection of the electronic weigh scales including the Avery Berkel D104 and A702. These will be connected via RS-232 connection to one or two counter PC configurations.

2.4.1 The connection of the D104 scales connected to ECCO+ systems will be transferred to Horizon as set out below:

D104 Weigh Scales - connection service to Horizon platform

2.4.1.1 During the Horizon system installation where there are ECCO+ connected D104 weigh scales to be transferred, they will be tested to confirm correct operation taking account of POCL's specified tolerance levels, new data cables fitted, mains cables inserted into an Horizon system outlet and the scales re-tested to confirm correct operation on the Horizon system. This will be service (1) below. The original data cables will be removed with the ECCO equipment in line with Requirement 489.

2.4.1.2 Where a scale is found not to be operating correctly, its new data cable(s) will be fitted to the Horizon system and positioned in readiness for subsequent connection. The charge for this activity will be as in (1) below. If requested by POCL, a subsequent visit will be made and the scale will be checked for correct operation. If it passes it will be connected to the previously fitted data cable(s), the mains cable will be inserted into a Horizon system outlet and the scale re-tested to confirm correct operation on the Horizon system. This will be service (2) below and applies on every D104 scale visit after the Horizon system has been installed.

2.4.1.3 The charges for these services are set out in the Codified Agreement Schedule A12 section 10.1 and are described below.

1. D104 scale successfully transferred to Horizon system at time of Horizon system installation
   or
   D104 scale tested but found not to be working at Horizon system installation

2. Subsequent visit to transfer D104 scale to existing Horizon system.

2.5 Support the printing of those reports defined in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

2.6 Support the printing of cash accounts and plain paper summaries using the above printing facility.

2.7 Support the printing of PDF417 two dimensional barcodes as part of the back office cash account production process. This will be done using the above printing facility.

2.8 The counter printer proposed by Pathway is a dot addressable printer which can support the printing of barcodes on forms and the tally roll.

Pathway will require further discussions with POCL to discuss the particular applications or POCL Services that require barcode printing and the types of paper stock that are expected to be used.

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2.9 The back office printer can support the printing of barcodes and will support code 128, EAN 8, EAN 13 and code 39.

PIN Pads

OPS shall support the connection of PIN Pads, after Part A of the Roll Out Programme has completed in accordance with Schedule A12 and Schedule G12.

The PIN Pads shall have the capability of supporting the reading from and writing to smart cards complying with the appropriate standards in the CCD entitled "PIN Pad Product Specification" (NB/PDN/010).

Support for reading from and writing to smart cards from the PIN Pads is not used by the Existing Services or the NBS and is intended for use in future services which may be agreed under the Change Control Procedure.

Pathway Comment
Pathway would appreciate any examples of non-standard Cards which POCL wish to be supported.

Reference No 557

Pathway Response

1. Pathway confirms that the OPS will have the flexibility for additional peripheral types to be added in future including input devices and printers.

2. Pathway confirms that at least 4 additional RS-232 connected peripherals may be added to a counter configuration subject to commercial considerations, except for mobile solutions where the connectivity is specified in the CCD "Counter Hardware Design Specification" (BP/DES/003). PIN Pads, when connected, shall count as one of the 4 available connected peripherals.

3. OCR capability

Pathway has been notified that such a facility is not required.

4. Two-dimensional barcode capability

Pathway has been notified that such a facility is not required.

5. Teller Cash Dispensers

The Pathway OPS can physically support a connection to a teller cash dispenser via an RS232 port. The introduction of new peripherals will be subject to an agreed contract change control processes.

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Pathway Comment
Peripheral connectivity

Pathway currently intend to provide an 8-port serial card on every PC. This together with two ports on the PC provides connectivity for 10 RS-232 devices. The following devices are the maximum that any one counter is currently expected to require :-

Touch Screen, MSR/SCR from keyboard, Wand, Counter printer, APPU, Scales

Total = 6.

With the minimum three spare ports required by POCL, Pathway will have one additional port available (i.e. a total of 4 spare peripheral ports on a fully configured counter configuration). This provides capacity for a PIN pad per counter position

OCR and Two-dimensional barcode capability

Pathway has been notified that these options are not required.

Reference No 558

Pathway Response
1. Pathway fully appreciates the importance of transaction times to POCL. We believe that we have demonstrated to POCL that the Pathway OPS does keep transaction times to a minimum.

2. Pathway confirms that the OPS is capable of supporting all of the defined business transactions at the current and projected volumes of business. For NBS and the intended EFTPOS (or debit card) service, the currently supportable and projected volumes are in the document entitled *Horizon New Service Business Volumes (PA/PER/031)*.

Pathway Comment
None.

Reference No 559

Pathway Response
1. Pathway confirms that the OPS will be provided at each of the POCL's outlets.

2. Pathway confirms that the OPS will support the automation all POCL transactions in due course.

3. Pathway confirms that the initial implementation of OPS will be capable of supporting APS, OBCS and EPOSS.

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Pathway Comment
None.

Reference No 560

Pathway Response
Pathway recognises that technology will change during the period of the contract and both POCL and Pathway will wish to take advantage of this.

1. Pathway is required to deliver services outputs to POCL against the stated service requirements, against demanding performance targets and against associated performance penalties. In order to deliver the POCL Services the Contractor must exercise operational control over all aspects of service delivery (the service inputs).

This includes the selection and replacement of the equipment which is required to meet the POCL service requirement. Pathway requires the right to replace equipment at outlets or to substitute different equipment during implementation in order that the contracted requirements can continue to be met.

Pathway recognise that POCL will require assurance that any technology changes do not adversely impact the usability or functionality of the OPS. Pathway will provide advance notice to POCL of any changes that are required to OPS and review any associated introduction or replacement plans. POCL will not unreasonably withhold their support for such changes.

2. Pathway confirms that the specification of the equipment being used and installed within the Service Infrastructure shall be reviewed by the parties within the formal Service Management Review Forum. This subject will be covered within the existing agenda item "Horizon Programme Status".

Pathway welcomes these reviews as a mechanism to ensure that the OPS continues to meet Pathway's service obligations, and to consider the impact on the OPS specification of any future Service extensions required by POCL.

Pathway Comment
In a contract lasting many years there are numerous possible reasons why the Contractor may need to replace or substitute equipment and not all of the possible reasons can be foreseen now.
However, Pathway is not obliged to refresh the technology.

Reference No 561

Pathway Response

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Pathway confirms that it will indemnify POCL against any dispute of its or POCL's right to utilise the hardware, software or information used for any of the supplied POCL Services including third party challenges with reference to licensing or intellectual property rights. In the event of any dispute Pathway will use all reasonable endeavours to ensure that there is no impact on service.

Pathway Comment
None

Reference No 691

Pathway Response
1. EPOSS functions shall support the LFS and SAPADS, thus allowing the management of cash and Stock.

2. EPOSS shall allow an authorised User to declare Stock and cash levels and shall support the recording of Transfers into and out of the Outlet.

3. EPOSS shall support the recording of physical Stock and cash received in the Outlet.

Pathway Comment
None

Reference No 692

Pathway Response
1. In general, the outstanding customer session balance can be settled by a single MoP or a combination of two or more MoPs (e.g. part cash and part cheque).

EPOSS will be capable of enforcing a set of rules for a transaction which will determine whether that transaction must be settled and committed in its own right. For example, a DNS savings account deposit transaction can be considered to be committed when the passbook entry is made and stamped. This suggests that the settlement should be an intrinsic part of the DNS transaction.

EPOSS will be able to enforce a set rules for any transaction which will determine the MoPs allowed for that transaction.

2. EPOSS will allow the introduction of new types of MoP by implementing the MoPs in a generic manner similar to other products/transactions. As such, EPOSS will allow new MoPs to be introduced dynamically via reference data.

3. EPOSS will be capable of implementing EFTPOS, handling debit cards, as a method of payment. EPOSS will have the inherent capability to handle both debit and credit cards from the start of the EFTPOS service.

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The volumes quoted, while not surprisingly high, are nevertheless high in absolute terms and will generate
considerably higher daytime telecommunications costs for the contract services as a whole.

It is understood that cashback will not be required initially but might become a requirement in the future. EPOSS will ensure that cashback can be implemented as and when it is required.

Pathway recommends Girobank as the preferred supplier of the "Merchant Acquirer" services for EFTPOS. On-line authorisation will be routed via TMS and EFTPOS transactions and summaries will also be transmitted via TMS.

EPOSS will provide daily reconciliation of its EFTPOS transactions against information from the banking/financial clients.

Pathway will consider the storage and access requirements for signed receipts and will propose a preferred approach shortly. Currently, Pathway favours the storage of signed receipts centrally by Girobank as an additional service to the Post Offices. The storage and retrieval procedures will take into account the 0.2% receipt retrievals anticipated.

The options for the implementation of EFTPOS are currently under consideration and will be presented separately on finalisation.

The general benefits of transactions involving EFTPOS are expected to include:
increased average value of transactions and increased value of single transactions such as catalogue (e.g. Argos) sales
increased number of transactions - due to attraction of cashback
increase number of customers from higher socio-economic group
earlier payment of MVLs, bills etc.
payment of bills at counters which currently require cash at the counter or a cheque by post. E.g. Giro transcash foils with "Cheque NOT Acceptable at PO Counter"
reduced handling costs (compared to cheques)
reduced clearing time (compared to cheques)

Pathway Comment

70% (at £15 floor limit) on-line authorisation seems high and may result in annoying delays and lengthy queues. Girobank state that £15 limit is a Switch rule and that VISA and Mastercard are higher.

Girobank state that card scheme rules preclude cash withdrawal at retail counters (including post office counter) but cashback is allowed.

Pathway seeks to understand if POCL expects to be or to nominate the "Merchant Acquirer".

Reference No 693

Pathway Response

1. EPOSS will allow a VAT style customer receipt to be produced at the end of the customer session. The receipt will be optional and will be printed if requested by the operator.

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2. Some transactions will automatically produce a customer receipt.

3. The format of reports and receipts is specified in "Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service", SD/DES/005.

4. The header/footer will be printed in Welsh and English or English as required.

5. The facility will be provided for the printing of one or more copies of a receipt following the end of one customer session and before the beginning of the next customer session. The second and subsequent copies of a customer receipt will be marked as "duplicate".

Pathway Comment
None

Reference No 694

Pathway Response
1. All transactions will be recorded using a Point of Sale function. This function will provide a consistent method for invoking fixed price product sales, simple open value transactions and complex transactions. The recording of information for all transactions will be handled in a consistent manner.

2. Transaction data captured during other POCL Services will be recorded via EPOSS.

3. EPOSS will allow the manual entry of weight values where the scales are not linked. In fact, EPOSS will allow manual entry of any information that is normally captured via a peripheral to cater for the cases where the peripheral is not connected, or has failed, or is unable to read for other reasons (e.g. illegibility).

4. Where transaction data will be captured through a peripheral reading device, the invocation of the transaction will be event-driven.

5. EPOSS will be able to read data from any appropriate input device which is part of the OPS.

Pathway Comment
None

Reference No 695

Pathway Response

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1. EPOSS will provide a function for declaring actual cash and stock on hand as part of the stock unit balancing process. Cash will also be declared as part of the daily cash locked up function or an electronic ONCH form.

2. The number of stock units and their setup will be under the control of the manager of the Outlet as part of the office administration functions. EPOSS will provide facilities for creating and deleting stock units as well as setting stock unit "sharable" attribute to cater for local working practices.

3. The stock unit management facility will allow changes to stock unit options and assignments.

4. EPOSS will allow stock unit sharing where a stock unit is attached to more than one user at the same time. This will be optional so that sharable and non-sharable stock units can be used within the same Outlet.

5. EPOSS will allow each stock unit to be balanced as often as is required within a cash account week. Balancing will involve the declaration of cash and stock by denomination.

Sharing a stock unit results when it is attached to more than one user at the same time. When sharing a stock unit, a group of users will be able to divide the administrative functions amongst themselves. For example, the declaration of cash and stock on hand can be carried out by each user. Each declaration will represent that user's proportion of the total for the stock unit. The aggregated total for the stock unit will be used for subsequent balancing operations on the stock unit.

6. EPOSS will allow an office balance to be produced at the end of the week by amalgamating the stock unit balances.

The system will provide an office level snapshot, at any time, of transactions, cash and stock levels across all stock units. The same facility will be available to provide an instant snapshot of the transactions and contents of any single stock unit.

7. EPOSS will produce an office cash account (conforming to the approved format) which will include information regarding manual voucher transactions, automated voucher transactions, suspense account position, and cash and stock totals. An office balance brought forward value will be derived for inclusion in the next accounting period.

8. EPOSS will control access to a stock unit by using an access level attribute. This will restrict its use to only those users with an appropriate privilege level. If it is not sharable then a stock unit can only be accessed by one user at a time. In addition, each user will be restricted to using only one stock unit at a time selected from a defined set.

Pathway Comment
None

FUJ00119623

Reference No 696

Pathway Response

1. EPOSS will produce a daily report showing the cash held in the office. The format of the report is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

2. EPOSS will provide daily and weekly summaries of transactions by stock unit for those transactions that require such reporting.

3. EPOSS will print on client cut sheet stationery using the counter printer or, if the physical size or layout of the stationery demands it, the A4 Outlet printer.

4. Pathway understands that the range of clients and their stationery varies considerably.

5. The format of all receipts is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service'; SD/DES/005. The bilingual Welsh/English receipts will be printed in Outlets designated in Reference Data.

6. The facility will be provided for printing more than one copy of a receipt following the end of one customer session and before the beginning of the next customer session. The second and subsequent copies of a customer receipt will be marked as "duplicate".

7. EPOSS will provide daily and weekly summaries of transactions by stock unit for those transactions that require such reporting.

8. EPOSS will print on client cut sheet stationery in support of Girobank and the PDR summarisation.

9. EPOSS will produce reports using the counter printer and the A4 Outlet printer as appropriate to the physical printing requirement. The report formats are specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

10. EPOSS will allow reports and summaries to be previewed on screen as well as (or instead of) printed.

Pathway Comment

None

Reference No 697

Pathway Response

The clause 801 and schedule A03 applies to this requirement.

Pathway Comment

None.

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Reference No 698

Pathway Response
Pathway shall use all reasonable endeavours to minimise and control liabilities to itself and POCL.

Pathway will set up an organised security infrastructure covering:

- security policy
- allocation of security responsibilities
- security education and training
- reporting security incidents
- physical security control
- virus control
- business continuity
- control of proprietary software
- safeguarding POCL records
- information classification
- compliance with data protection and other legislation
- information exchange control
- external contractors and suppliers
- compliance with security policy
- the management of fraud and risk within the solution during service operation

Pathway confirms that it will comply with ISO 17799.

For details of Pathway's approach to providing for integrity and privacy assurance in services refer to requirement response 952.

Pathway Comment
None

Reference No 699

Pathway Response
The audit trail comprises information corresponding to the POCL Infrastructure Service together with its Systems Management function. The Systems Management function provides the audit trail with a record of operational events, inventory, distribution and remote operations.

Consistent identity of file, record and field will be maintained.

The POCL Infrastructure Service element of the audit trail

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1. All transactions that pass through TMS are recorded in the journal. The journal will be maintained on magnetic media within TMS for a period currently planned to be 90 days. Following this the journal data will be archived to optical storage. The current or archived TMS journals can be accessed to provide an audit trail of all TMS transactions.

Some fallback scenarios will still be capable of recording a transaction in the TMS journal, e.g. keyed entry of card. Other scenarios will require data capture by alternate means and subsequent introduction to the TMS journal (e.g. manual AP transactions due to equipment failure). In these situations the transaction details will be entered by the postmaster locally when the OPS is restored to service. Data captured during such fallback situations in the TMS journal can be accessed to provide an audit trail.

The distributed nature of the Pathway TMS enables an Audit trail to be maintained and accessed during any recovery of a TMS server.

2. The audit trail provided by the TMS journal will record all file transfers, messaging or transactions, and the processing that originated these messages.

3. Transactions recorded in the TMS journal will contain some standard information and then variable data depending on the process that originated them.

Standard data will include :-

Post Office ID	- The unique ID of the Outlet
Position ID	- A unique ID of the counter within the Outlet
Session ID	- A unique ID that identifies an individual customer session
Transaction ID	- A unique ID within the Outlet for a transaction that forms part of a customer session
Date	
Time	
User	- A unique user name of the counter clerk initiating this transaction
Application	- An OPS application service

Variable Data will include :-

Transaction details 1

Transaction Details n

4. Activities that use more than one POCL Service may be traced from start to finish with certainty, or from an intermediate POCL Service.

A typical customer session in an Outlet may comprise the use of APS (pay bill) and EPOSS (purchase stamp). All these transactions will be recorded in the local outlet journal and each

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will contain the same unique session ID to identify that they occurred as one set of customer transactions at the counter. Each transaction will also record data specific to that transaction.

Transactions are then replicated to the central TMS and are subsequently extracted for processing and dispatch to a variety of host systems (e.g. POCL, POCL-Client systems). Each transaction will retain the attributes that enable its source and any associated transactions to be identified (e.g. transaction ID, session ID etc.). This data may be interrogated, subject to agreed procedures with Pathway, at any point in this process from transaction origination in an Outlet to Client specific datafiles just prior to dispatch.

5. Data recorded in the journal will be sufficient to allow a transaction to be recreated. Pathway will be pleased to discuss the recording of any specific data items that may be required by POCL.

6. The content of the audit trail will be agreed between Pathway and POCL.

7. Audit trail records will provide information for a period consistent with the Companies Act, or 7 years in the case of NBS

8. Pathway will provide POCL with reasonable access to the audit trail provided by the TMS journal.

9. Once transactions are written to the TMS journal they can never be altered or deleted.

10. TMS comprises a number of servers separated across two geographically remote sites. The service is resilient against the loss of individual servers or of a complete site.

Data within TMS is replicated within the local data centre and to the remote datacentre. When failed servers or a complete site is restored, all transactions are synchronised to bring each server up to date. The TMS service continues operating during this process.

Should both data centres supporting the TMS servers fail, the Outlets would continue largely unaffected. Transactions (OBCS, AP and EPOS transactions) would continue in each Outlet and be recorded in the local journal. When the central TMS is restored synchronisation would take place with each Outlet to bring the central TMS up to date.

In the event of a single data centre disaster which results in the data centre being unusable for a period of greater than 5 working days a copy of audit data will be established at a site geographically remote from the surviving data centre.

11. It will be possible to provide a suitable legal assurance as to the integrity of the audit trail.

12. Any changes to the POCL Services provided by Pathway will be the subject of discussion and agreement with POCL. Technological change may be one of the implications of a service change (e.g. the introduction of a new counter peripheral). The ability to maintain the facilities associated with audit will be one of the acceptance criteria governing the introduction of any change. In the event that the audit trail medium becomes obsolete it will

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be securely copied to a medium that will be serviceable for the required lifetime of the content.

The Systems Management function

The Systems Management Service provides a repository for the recording of all physical events affecting the platforms which support the POCL Infrastructure Service, that is TMS and the OPS. All these environments operate under Windows NT and are managed from the Tivoli Management Servers. Tivoli provides, in conjunction with the native Windows NT and messaging middleware services, a comprehensive facility for trapping, recording and interrogating audit events relating to the operational status of the hardware, software and applications running within the POCL Infrastructure Service.

Tivoli auditing features enable the recording of events such as which users access which objects, what type of access in being attempted and whether or not the attempt was successful. Administrative privilege is required for controlling and accessing audit files within Tivoli.

Audit events may be viewed through a Tivoli interactive bulletin board with appropriate access security measures, or may be accessed by applications to undertake routine bulk audit analysis. Events related to the router network are similarly forwarded to the network management server, for storage for audit or operational planning purposes.

The audit trail is specified in the Audit Trail Functional Specification.

Pathway Comment
None

Reference No 799

Pathway Response
Pathway can in principle provide a facility to manage the receipt and subsequent issue of APS tokens as directed by POCL. The introduction of such a facility will be subject to the Change Control Procedure.

Pathway Comment
Before a final solution can be defined it will be necessary for POCL and Pathway to agree the overall token issue process and any links to the issuing client organisations.

Areas that will need to be covered include :-

Method of dispatch and receipt of tokens to post offices and subsequent error handling.
Reconciliation of expected and actual token receipt and subsequent error handling.
Method of issue to customer, verification processes and subsequent exception handling.
Other exception conditions (e.g. token withdrawal, token non-collection, token non-arrival).
Information feedback to POCL and / or Clients.

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Reference No 800

Pathway Response

1. EPOSS will record details of all transactions between the customer and the clerk. The information recorded will include any stock and cash items issued or received.

2. All transactions carried out whilst serving a customer will be recorded within that customer session. For NBS a Banking Transaction is not started, for recording purposes, until a Request is generated. Prior to this there will be no persistent record of a Banking Transaction.

Corrections to a transaction within the current customer session will normally involve a simple modification applied directly to the transaction. But, if the transaction is of a type (e.g. on-line financial) that has already been committed then it will corrected by:
a) the reversal of the original incorrect transaction.
b) the addition of the correct transaction.
The use of reversals is subject to the use being permitted by business rules in POL Reference Data. In particular, reversals are not permitted for NBS.

If a correction needs to be applied to a transaction in a previous customer session then the following procedure will be used:
a) identify the customer session.
b) identify and reverse the incorrect transaction
c) insert the correct transaction.
Corrections to transactions will not be possible after the cut-off and despatch of those transactions to the appropriate client, processing centre or accounting report.

A refund is assumed to be distinct from a reversal to correct errors. It is considered to be a transaction in which a customer returns an item bought and is given back cash or is credited the amount. A refund must be supported by proof of purchase, such as a receipt, which provides a reference to the original customer session and the transaction.

3. EPOSS will uniquely identify each transaction and each customer session.

4. EPOSS will provide an explicit "end customer" event which will only be valid following the settlement of the customer session. The provision of a running session balance and change calculation should encourage the use of one session per customer. Consideration should be given to the provision of information messages triggered by the number of transactions in the session.

5. EPOSS will indicate the change due to the customer when the cash taken from the customer exceeds the session balance. This will be implemented such that the session can be ended as if the balance was zero.

Pathway Comment

None

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Reference No 801

Pathway Response

1. EPOSS will support the current range of business transactions. Pathway understand that these are generically grouped as:- Value Stock product; Method of Payment (MoP); Loss and Gain transaction; Retail sales product; Receipt and Payment transactions.

2. EPOSS will support fixed price products and variable price products which may have a default value.

3. EPOSS will support variable price products where:- the value is entered by the clerk; the price is one of a defined set. In each case, variable price products can include a default value derived by look up from reference data or by an "intelligent" guess based on context. Rules will be allowed for the validation of the value (this would include check for zero value).

4. 'Composite' products will be implemented using product categorisation and grouping. This will allow the sale and declaration of products by denomination.

Pathway Comment

None

Reference No 802

Pathway Response

1. EPOSS will record the issue and receipt of any stock and cash items associated with a transaction against a stock unit. This will result in the increase or decrease of stock and cash levels within the stock unit as appropriate. This will allow the current stock position for a stock unit to be reported on request.

2. Discrepancies between the actual stock and cash on hand and the system's view of stock and cash in a stock unit will be resolved by the stock and cash on hand declaration function. This will synchronise the system's view of a stock unit's contents with the actual stock unit's contents. This will take care of these types of discrepancies (compensating or otherwise) without carrying out a transaction or a reversal.

Pathway Comment

None

Reference No 803

Pathway Response

EPOSS will implement mechanisms to safeguard against recording one-sided transactions.

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EPOSS will maintain a disk-based log of transactions within a customer session. Each transaction is added to this session log as it is completed. At the end of the session all of the transactions will be transferred (committed) to the journal. When all transactions have been safely committed the session log is cleared.

If failure occurs after the session has ended but before all transactions have been committed a cleanup procedure will use the (uncleared) session log to complete the commit process.

A transaction that requires it will be settled and committed when it is completed (i.e. before the end of the session). Obviously, this type of transaction does not need to be transferred and committed to the journal at the end of the session. For the purposes of recovery this type of transaction is treated as a session in its own right. It is marked "committed" after it has been successfully committed but is not cleared until the end of the session.

If failure occurs before the end of the session, none of the transactions will have been committed except for those that had been committed on completion as described above.

The implementation of these measures will ensure that a balanced status is maintained in the event of interruption or failure.

Pathway Comment
None

Reference No 804

Pathway Response
1. EPOSS will maintain a journal of all transactions and a facility will be provided to allow the user to search and "browse" previous transactions. The user will be able to restrict the scope of the search.

2. All transactions will identify the stock unit and the balance period to which they apply.

3. It must be stressed that transactions, once committed to the journal, are NEVER deleted or modified by counter or office functions. The original transaction is always maintained and a reversal transaction negates the effect of the original. The transaction reversal process is described for the following scenarios (which are not applicable to NBS):

Scenario 1. The transaction is in a previous customer session within the current stock unit balance period. The transaction has not yet been despatched (i.e. client cut-off) from the office.

The user will be able to browse the transaction journal in order to find and select the transaction for reversal. A loss or gain transaction may need to be generated to account for any cash (or other MoP) involved in the transaction. Any client summary will need to be re-printed to reflect the reversal.

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Scenario 2. The transaction is in a previous stock unit balance period. The transaction has not yet been despatched (i.e. client cut-off) from the office.

The reversal must be carried out by the office manager within the office administration function - accounting adjustments. The manager will select the stock unit balance period and browse the transaction journal in order to find and select the transaction for reversal. A loss or gain transaction may need to be generated to account for any cash (or other MoP) involved in the transaction. The stock unit balance report and any client summary will need to be re-printed to reflect the reversal.

Scenario 3. The transaction is in the previous cash account period (i.e. the stock unit has been rolled over). The transaction has not yet been despatched (i.e. client cut-off) from the office.

As above, the reversal must be carried out by the office manager within the office administration function - accounting adjustments. The manager will select the stock unit balance period and browse the transaction journal in order to find and select the transaction for reversal. A loss or gain transaction may need to be generated to account for any cash (or other MoP) involved in the transaction. The stock unit balance report and any client summary will need to be re-printed to reflect the reversal.

Scenario 4. The transaction has already been despatched (i.e. client cut-off) from the office.

The transaction is not reversible. The error will probably result in the receipt of an error notice from the client.

Note
There is a distinction between a reversal for accounting corrections, such as the loss of a foil or stub, and a reversal due to a transaction refund (e.g. when a customer changes his mind).

4. Use of the transaction journal to resolve enquiries will be supported.

Pathway Comment
None

Reference No 805

Pathway Response
1. EPOSS will maintain a journal of all events such as logon, attach to stock unit, declare stock and cash and so on. The journal entry information will include the user and the stock unit.

2. The journal entries will identify the stock unit and the balance period to which they apply.

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3. A facility will be provided to allow the user to search and "browse" the events in the journal using specified search criteria.

4. Use of the event journal to resolve enquiries will be supported.

Pathway Comment
None.

Reference No 806

Pathway Response
1. The time and date will be maintained centrally and will be transmitted to EPOSS via TMS thus ensuring that all Outlets are synchronised .

Pathway Comment
None.

Reference No 807

Pathway Response
The transfer of stock between stock units will be conducted in the following way:

a) The requesting user (i.e. the one receiving the stock items) will verbally agree with the sending user that the items can be transferred.

b) The requester will use a Transfer Request function (a form) to identify the sender and the stock items required.

c) The sender will use the "Transfer Out" function to view and confirm the stock items. When this is completed a "Transfer Out" receipt slip is printed by the sender . This process generates transfer out transactions and decreases the stock units stock levels.

d) The requester will use the "Transfer In" function to view and confirm the stock items. When this is completed a "Transfer In" informational slip is printed by the requester. This process generates transfer in transactions and increases the stock units stock levels.

e) The physical exchange of stock is accompanied by the signing of the Transfer Out receipt slip by the requester. The sender keeps the signed receipt as proof.

1. EPOSS will record the movement of stock and cash between stock units (i.e. transfers) within the same post office. The details of each transfer will be recorded in the journal and will identify the stock units and their respective balance periods.

2. Each transfer will comprise a set of one or more stock and MoP products.

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3. The mechanism for entering the details of a transfer will resemble a form filling (P119) method rather than a serving session.

4. EPOSS will automatically adjust the stock and cash levels of the corresponding stock units to take into account the transfer.

5. The transfer will be recorded as occurring within the respective balance period of each of the stock units involved.

Pathway Comment
None

Reference No 808

Pathway Response
1. EPOSS will support the receipt, maintenance, return and issue of serial numbered stock items and tokens. Where the serial numbers are identified at the point of service (i.e. issue) EPOSS will support the recording of "spoiled" items. EPOSS will provide reconciliation functionality for serial numbered items. Reconciliation will be by volume and stock unit as follows:

Number brought forward + Number received
equals
Number on hand - Number issued (or spoilt or returned)

Where the movement of individual serial numbered items is not recorded EPOSS will provide manual bulk entry facilities for reconciliation.

2. EPOSS will support a suspense account mechanism whereby items not cleared during the accounting period will be carried forward to the next.

3. EPOSS will provide a snapshot representing the office balance position derived from all of the stock unit balances completed within the current accounting period. The format of the snapshot report is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

Pathway Comment
None

Reference No 809

Pathway Response
1. The EPOSS desktop will provide customer session management which will maintain:
a) a log of all of the transactions performed since the start of the customer session
b) the session balance in the form of an amount to "take in" or "pay out"

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c) the allowable methods of payment for settlement

2. Transactions recorded in the journal will be identified by customer session.

Pathway Comment
None

Reference No 810

Pathway Response
1. EPOSS will allow reversals and refunds. These operations will only be possible if POCL and Client accounting and business rules allow them.

2. The behaviour of transactions will be governed as far as possible by reference data parameters.

3. EPOSS will allow 'rate shopping' for those transactions which involve value-added associated services. For example, insured, registered and recorded delivery services against an inland letter transaction.

In addition, EPOSS will allow a total value to be input against a fixed price product. It will calculate the whole number of items that may be purchased for the amount specified. For example, if £1.00 is entered against second class stamps (19p each) the system will resolve this to 5 second class stamps with a total amount of 95p.

Pathway Comment
None

Reference No 811

Pathway Response
1. The passing of information to TMS is not strictly an EPOSS function. EPOSS will be responsible for recording information to the journal, but the subsequent replication and transmission of that information is then handled by the TMS functions.

2. EPOSS will support the introduction of new Client services. These will be integrated into the EPOSS product set so that they can be invoked by the appropriate event.

In most cases the introduction of a new product will be achieved through the distribution of reference data updates via TMS. In addition to reference data updates functionality can be introduced dynamically using revised versions of EPOSS (or APS) (and again these can distributed via TMS).

Pathway Comment
None

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Reference No 812

Pathway Response

1. EPOSS will allow customer transactions to be reversed. EPOSS will also implement a mechanism to allow corrections to stock and cash transfers within the Outlet or between the Outlet and a remote location.

2. EPOSS will allow reversals to transactions providing that POCL and Client accounting and business rules allow them.

3. EPOSS will allow "accounting adjustments" in the form of correction transactions which are not necessarily mapped to specific transactions in the journal.

Pathway Comment

None

Reference No 813

Pathway Response

1. EPOSS will allow revaluation of fixed price value stock and MoP products. Revaluation of a product would normally be achieved through a reference data change delivered via TMS. The implementation of these types of products will be such that the new version will be distributed to Outlets in advance, and will coexist with the current version, only coming into effect on a specified "activation date". The activation date is part of the reference data (as is the expiry date of the superseded version).

2. Pathway acknowledges the possibility of future alternative currencies and EPOSS will implement MoPs accordingly.

3. The inclusion "uprating" and "downrating" accounting entries will allow for changes in stock product prices to be balanced.

4. EPOSS will implement revaluation of generic stock products in an appropriate and efficient manner.

5. The reference data for each value stock product will contain information which determines the accessibility (or sellable status) of the product.

Pathway Comment

None

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Reference No 814

Pathway Response

1. EPOSS will provide a cash on hand declaration function analogous to the filling of a paper form.

2. This function will allow the cash on hand to be declared by denomination (including coin) for the purposes of daily cash reporting and as part of the stock unit balancing process.

3. The cash on hand declaration can be invoked at any time but will normally be carried at the end of a stock unit balance period and always as part of the end of day process.

4. The EPOSS system only accepts two-sided transactions so that it is always in a balanced state as far as the information it processes is concerned. In reality, the system will sometimes be out of balance due to physical misplacement of cash, value stock or any other transaction related vouchers.

It can also be logically balanced but physically in error as a result of mis-keying (e.g. MoP as cash instead of a cheque). In this case there may be a discrepancy between the system view of total cash and the actual cash on hand, but it will not necessarily result in a loss or gain being generated.

EPOSS will generate a loss or gain when:
Total Receipts (including Opening Stock and Cash)
does NOT equal
Total Payments (including Stock and Cash on Hand)

5. EPOSS will issue an appropriate warning message when the cash on hand declaration total differs from the expected figure as maintained by the system.

6. EPOSS will permit the declaration of a zero value of any (or all) cash denominations.

7. EPOSS will carry forward and default to the denomination values from the last known declaration when no activities have occurred to alter these. A message will be issued to ensure that the user is aware of this when the cash on hand declaration function is invoked. Under normal circumstances the values will be set to zero to try and ensure that the user explicitly declares each.

8. In a Team Working office the cash declaration activity could be shared by any (or all) of the users attached to each particular stock unit.

Pathway Comment

None

Reference No 815

FUJ00119623

Pathway Response

1. EPOSS will allow stock units which have not being used within an Outlet accounting period to be "rolled-over" to the next accounting period.

2. All stock units within the Outlet which contribute to the Cash Account must be rolled-over before the production of the Cash Account. This applies to dormant stock units a well as those that have been used during the period.

3. The office manager will control the roll-over of the dormant stock units.

Pathway Comment

None

Reference No 816

Pathway Response

1. EPOSS will have access to a full set of outlet records for a rolling period of 18 months.

2. Information will be retrieved as complete set of records for the specified outlet account period.

3. The information for the previous two outlet accounting periods will be available for review on demand. Information dating back further than this will be available at 24 hours notice.

4. EPOSS will record all significant events and all data entries.

5. EPOSS will implement a tiered level of access control. Each facility will have an associated access level and the user will require a corresponding (or better) privilege level to access the facility. Combined with the user logon requirement, this will provide a controlled environment for all users of the system.

6. EPOSS will provide the facility for an authorised user to maintain information about the users. This facility will allow the introduction of new users, the modification of user attributes (including password and privilege level), the deletion of users, and the suspension of a user's access to the system.

There will be a similar facility for stock units.

Pathway Comment

None

Reference No 817

FUJ00119623

Pathway Response

1. EPOSS will allow discounting for those products which are defined to be discountable in the reference data.

2. EPOSS will implement an appropriate discounting mechanism for each discountable product. In it's most generic form this will take the form of a user specified percentage at the time of transaction. In specific transactions, a percentage will be derived from the reference data as the default. The application of a user specified percentage discount for all discountable products in a customer session will be supported.

3. In a similar way to above, allow a user specified discount value at the time of transaction. In specific transactions, the value will be derived from the reference data as the default. The application of a user specified discount value for all discountable products in a customer session will be supported.

Pathway Comment

None

Reference No 818

Pathway Response

1. EPOSS will have access to reference data imported from The Reference Data System via TMS. EPOSS will support date and time stamping of reference data in the form of activation and expiry dates. The activation and expiry dates are part of the reference data.

2. EPOSS will produce a report of the reference data in use at an Outlet. The format of the report is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005. Changes (and notification) will normally be delivered to the Outlet electronically.

3. EPOSS will maintain reference data used to control the behaviour of most aspects of EPOSS and transactions. EPOSS functions will be driven by reference data parameters whenever the functionality can be generalised. This will allow many aspects of the behaviour of EPOSS to be modified via reference data changes rather than software.

4. EPOSS will maintain the consistency of reference data to report on and warn of errors. Interdependencies between reference data elements will dictate whether reference data record deletions (and other operations) are possible.

The distribution of reference data to other counter workstations is the responsibility of the TMS/Journalising middleware. Similarly, reference data record integrity is handled by the TMS/Journalising middleware.

5. The Contractor's Reference Data system will distribute the Item Transaction Modes (ITMs) to the Outlets. EPOSS shall provide the following functionality for all Products, in accordance with the business rules specified in 'Reference Data Business Rules and Values' (the initial set of business rules for Reference Data management of products using Item

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Transaction Mode shall be as defined in the agreed version of CCN473. These rules will apply until the document 'Reference Data Business Rules and Values' is agreed by the parties and is introduced as a Contract Controlled Document via the Change Control Procedure):

- A test for a current ITM at the start of each transaction undertaken at the Outlet. If one exists, the Transaction will continue. If one is not found, the Transaction will be aborted, and the Counter Clerk will be informed of this. The Counter Clerk may start another transaction.

- A test for a current 'stock adjust negative' transaction mode for all POCL Products, which are Value Stock items, at an appropriate trigger point, such as, start up or balancing. If one exists, no action is taken. If one does not exist for a Value Stock item, the residual value in any Stock Unit for that Product will be posted to discrepancy. An agreed message showing this action will be output to the system User.

Pathway Comment
None.

Reference No 819

Pathway Response
1. EPOSS will support the different cash account formats (i.e. standard Outlet format and CRU format)currently used. The use of spare cash account lines to report on new products will normally be facilitated by reference data changes distributed via TMS. The cash account tables and validation rules applying to individual cash account lines will be maintained as part of the EPOSS reference data.

2. The mapping of the cash account lines to product and transaction data will be maintained as reference data.

3. EPOSS will maintain the cash account period numbers and their associated start and end dates as part of the reference data. A cash account period is normally a week. To cater for those occasions when the Outlet is authorised to combine two or three weeks into a single accounting period EPOSS will produce a single cash account report covering all transactions in the combined period. It is proposed that the cash account week number of the final week is associated with this cash account report.

It is understood that some client reports require the actual cash account week number to be identified: EPOSS will print the actual cash account week number for these reports.

4. EPOSS will initially produce a printed and an electronic version of the cash account report.

5. EPOSS will include a 2D bar-code on the printed report. The format of the data contained within the barcode is to be specified by POCL, but it is anticipated that it will contain a data-compressed set of all of the cash account report.

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6. EPOSS will allow trial cash accounts to be produced. Production of the final cash account can be followed by an end-of-week facility which will 'move' the outlet forward into the next accounting period.

Note. Stock units will normally have been rolled-over into the next accounting period before the trial and final cash accounts have been produced. This is necessary in order to allow the staff in the Outlet to continue with their everyday tasks.

Pathway Comment
None

Reference No 820

Pathway Response
1. EPOSS will implement a tiered level of access control. Each facility will have an associated access level and the user will require a corresponding (or better) privilege level to access the facility. Combined with the user logon requirement, this will provide a controlled environment for all users of the system.

2. EPOSS will not hinder the Outlet's ability to maintain trading if the OPS is not available.

3. Following an Incident, EPOSS will:
a) allow the user to return to a recent trusted position
b) implement appropriate measures to reduce the risk of data corruption
c) resume operation in a controlled auditable way as quickly as possible.

4. Backup of data will be handled by the data replication facilities of the TMS/Journalising middleware. This will allow seamless recovery from Incidents such as localised failure. A return to a known and trusted reference position will be provided by the setting of appropriate data markers.

5. EPOSS will implement measures to provide a robust committal process that reduces the risk of unrecoverable system errors.

6. EPOSS will implement measures to reduce the amount of data re-entry following recovery from a system failure.

7. EPOSS will monitor the integrity of the data and will inform the user of any implications with respect to the state of the data.

Pathway Comment
There will be no local processing for NBS where connection to the NBE has failed.

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Reference No 821

Pathway Response

1. Pathway recognises that the centralisation of the administration of local schemes is a complex problem and needs extensive investigation to assess whether it is operationally achievable in an efficient manner. Therefore, it is proposed that local schemes will be implemented as a set of blank template products that can be tailored and activated when required. Facilities to account for and report on these transactions will be provided.

EPOSS will be configurable such that it could:
a) restrict the availability of specific transactions for an Outlet.
b) allow the use of specific transactions to be optional for an Outlet.
c) allow local tailoring of specific transactions for an Outlet.
d) introduce new functionality as agreed with POCL.

2. EPOSS will ensure that transaction data and data derived from transactions is in the appropriate form for use by systems outside of OPS. It will also provide facilities to read and interpret data originating from systems outside OPS.

Pathway Comment

The following information is provided in order to assess the complexity of administering local schemes centrally.

Currently there are seven regions each administering approximately 20-30 schemes as indicated in the following table:

Region	Approx. No. of Clients	Approx. No. of Schemes
North East	25	26
North Wales and North West	24	24
Midlands	18	21
Scotland and Northern Ireland	13	14
South East	22	22
South Wales and South West	27	27
North Thames and East Anglia	22	23
Total	151	157

In general, all post offices within an area will offer the local schemes. A few offices within the area may be excluded from the scheme, and a few offices from neighbouring areas will be included in the scheme.

The FAD code of an office is a seven digit number of the form OOO AAA C

where OOO = Numeric Office code
AAA = Numeric Area Code
C = Check digit

An analysis of the FAD codes has provided the following information:

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1. There are a total of 145 areas in all regions.
2. The largest number of offices in an area is 404.
3. The average number of offices in an area is 135.
4. The smallest number of offices in an area is 4.

For a centralised administration and reference data distribution function for local schemes to be implemented, with each participating office in each scheme being individually identified, a database estimated at 30,000 to 40,000 records is required.

Each local scheme will consist of approximately 150 records with a maximum of almost 500 records.

Reference No 822

Pathway Response
The Contractor shall provide the Logistics Feeder Service through the medium of the POCL Service Infrastructure such that it can interface to the agreed POCL SAP/ADS system. The POCL Service Infrastructure shall be designed such that, subject to the Change Control Procedure, it can interface into any other POCL inventory management system, and shall have sufficient capacity not to preclude such interfacing.

Pathway Comment
None.

Reference No 823

Pathway Response
1. The storage of EPOSS transaction data and data derived from transactions is the responsibility of the TMS/Journalising middleware. It is the responsibility of this middleware to ensure that the data is made available to other POCL Services which require access to the data.

2. EPOSS will implement appropriate measures in an attempt to maintain the integrity of data in the event of an Incident and avoid corruption of data due to interruption of an incomplete process.

In addition to the actual data to be recorded EPOSS will include information which is used to ensure the integrity of the data. The additional information consists of a message sequence number and a message CRC check digit.

Pathway Comment
None

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Reference No 824

Pathway Response

1. EPOSS will allow the price of posting a mail item to be determined from information including the class of mail, the weight, and (if not inland) the destination. The weight will be provided by a connected electronic scale. Where the scale is shared between counter positions, it will be the responsibility of the scale to handle contention and accept or deny a connection to a counter workstation.

2. EPOSS will ensure that a connection to the scales is only requested when needed by a transaction and will proceed with such a transaction when the connection is made. EPOSS will ensure that the connection to the scale is released promptly when it is no longer required.

Pathway Comment

None

Reference No 825

Pathway Response

1. EPOSS will record all sales. All transactions will be recorded using a Point of Sale function. This function will provide a consistent method for invoking fixed price product sales, simple open value transactions and complex transactions. The recording of information for all transactions will be handled in a consistent manner.

2. Where transaction data will be captured through a peripheral reading device, the invocation of the transaction will be event-driven.

3. Each counter transactions will be maintained within its respective customer session.

4. Transaction data captured during other POCL Services will be recorded via EPOSS.

5. Transactions recorded in the journal will be identified by customer session.

6. The EPOSS desktop will provide customer session management which will maintain:
a) a log of all of the transactions performed since the start of the customer session
b) the session balance in the form of an amount to "take in" or "pay out"
c) the allowable methods of payment for settlement

7. In general, an outstanding customer session balance can be settled by a single MoP or a combination of MoPs (e.g. part cash and part cheque). In some circumstances a transaction (e.g. savings account deposit) can require settlement in its own right irrespective of other transactions in the customer session. In addition, EPOS will enforce a set rules for a transaction which will determine the MoPs allowed for that transaction.

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8. EPOSS will allow the introduction of new types of MoP by implementing the MoPs in a generic manner similar to other products/transactions. As such, EPOSS will allow new MoPs to be introduced dynamically via reference data and applets.

9. EPOSS will support two simultaneous customer sessions at the same counter position .It will allow a customer session to be suspended and resumed as required except when a Banking Transaction is in progress. When a customer session is suspended the clerk can continue to start and end further sessions for other customers.

10. EPOSS will provide a Void (or cancel) facility for the current customer session. Some transactions in the session may not be "voidable" due to accounting or business rules.

11. EPOSS will allow reversals and refunds. These operations will only be possible if POCL and Client accounting and business rules allow them.

12. EPOSS will support primary products with associated mandatory and optional products. For example, the £1.00 postal order product will have an associated 25p postal order fee product, or the association of a product representing the notional value of an MVL disc for accounting purposes. EPOSS will support the linking of as many associated products to a primary product as is appropriate.

EPOSS will support cross-selling in the form of messages and prompts associated with selected products. For example, the selling of theatre tickets could prompt the question: "And how are you travelling there, sir/madam?" which could result in the sale of a bus or rail ticket.

13. EPOSS will have the facility to read data from all the input devices (and their storage media) that are part of the OPS.

14. EPOSS will allow the manual entry of weight values where the scales are not linked. In fact, EPOSS will allow manual entry of any information that is normally captured via a peripheral to cater for the cases where the peripheral is not connected, or has failed, or is unable to read for other reasons (e.g. illegibility).

15. EPOSS will support the introduction of new Client services. These will be integrated into the EPOSS product set so that they can be invoked by the appropriate event.

In most cases the introduction of a new product will be achieved through the distribution of reference data updates via TMS. In addition to reference data updates functionality can be introduced dynamically using revised versions of EPOSS (or APS) (and again these can distributed via TMS).

Pathway Comment
None

Reference No 826

Pathway Response

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The Pathway solution for OPS is based around a PC configuration at each counter position. Each PC will have a number of spare RS232 ports and these may be used for the connection of future peripherals. Connection to Avery-Berkel Parcel Scales has already been demonstrated.

Pathway confirms that the OPS will be capable of connecting to specialist peripherals which support dual connection. The capability for such peripherals to be dual connected is primarily a function of the design of the peripheral, its physical connections and supporting firmware.

Access to these peripherals will be restricted to those counter PC's which are suitably configured.

Pathway Comment
A PIN Pad cannot be connected to more than one piece of Counter Equipment at a Counter Position.

Reference No 827

Pathway Response
1. The overall Pathway solution can be developed to provide support for a variety of authorisation methods including stop lists, go lists and other forms of authorisation in support of future POCL Products. Detailed discussion would be required with POCL and/or the Client on the form of such authorisation processes and the precise maintenance and usage of all supporting data.

Where such products exploit the "nominated post office" relationship between a customer and a specific post office the design of any authorisation process would seek to hold such data locally to reduce network costs and optimise transaction times.

2. The Pathway solution can support links to external computer systems. Such links are already in existence and are achieved through the use of a service specific TMS agent.

Pathway Comment
None

Reference No 828

Pathway Response
Pathway confirms that it will maintain the confidentiality, integrity, validity and completeness of data throughout all storage, processes and transmissions, including during periods of service failure and recovery from service failure.

The techniques that have been proposed by Pathway in particular circumstances, include physical and personal security measures, file integrity checking, data encryption, digital

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signatures, CRC checking, disk encryption, systems design for selective management and visibility of data.

Pathway Comment
None

Reference No 829

Pathway Response
Pathway confirms that it will comply with all its prosecution support obligations specified in Schedule A02.

Reference No 830

Pathway Response
The requirements specified within 830 are addressed within the Business Continuity Framework CS/SIP/002. For NBS, the contingency plans will be as specified in Schedule N09.

Reference No 831

Pathway Response
Reference is made to Interface Specification, POCL Interface Requirements for BA/POCL System.

PATHWAY SOLUTION:

Pathway will develop the necessary systems and operational processes to support the interfaces as specified in this requirement and the POCL Interface document.

Pathway assumes that subject to the comments made below this document will form the basis of the Contract. Following Contract award it will become subject to joint change control between POCL and Pathway.

Pathway recognises from section 1.2.2 of the POCL Interface document that further functionality may be required and will be pleased to discuss the necessary operational and commercial implications as details become known.

The development and implementation of POCL interfaces will principally take the form of TMS Agents that act upon transactions originated within the Outlets or which receive transactions or data from POCL or Client systems.

Transactions from Outlets will be generated as a part of the counter application (e.g. AP, OBCS, LFS).

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The detailed formats of each interface will be specified in a Contract Controlled Document. Such specifications for interfaces shall be introduced or changed through the Change Control Procedure.. Pathway notes the requirement in section 2.1.2 and D5 of the POCL Interface documen: that the ARTS model will be used where applicable as the standard for record interfaces.

Specific Interface support

1. Logistics Feeder Service (LFS) to/from Outlets via TMS

Interfaces will be provided in accordance with "LFS to SAPADS and SAPADS to LFS Application Interface Specification" (POCL reference JED/LFS/007).

2. Transaction Information System (TIP) system interfaces from TMS and outlets.

Interfaces will be provided in accordance with Pathway to TIP Application Interface Specification

3. POCL Reference Data system interfaces to TMS and outlets

Interfaces will be provided in accordance with Reference Data to Pathway (Reference Data Project Application Interface Specification) and Application Interface Specification Reference Data to Pathway Type B Data (for the appropriate release).

4. Interfaces between outlets (via TMS) and POCL Clients

Interfaces will be provided in accordance with:

- Pathway to HAPS Interface Specification;
- Pathway to Client Standard Magcard/Barcode Application Interface Specification;
- Pathway to Client Standard Watercard Application Interface Specification;
- Pathway to Client Type 'G" Magcard/Barcode Application Interface Specification.

Interfaces will be provided in accordance with AP Client Specifications in respect of individual AP Clients when these are agreed.

5. TIP/TMS interface for authorisation data

The capability for POCL to effect reconciliation between itself and its clients is provided by the TMS outputs to TIP as specified in Pathway to TIP Application Interface Specification.

Pathway notes the exclusions both in requirement 831 and the POCL Interface document.

6. NBE - Horizon interface for NBS

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Interfaces for NBS will be provided in accordance with the document "NBE-Horizon Application Interface Specification" (NB/IFS/008) and the document "Technical Interface Specification – Horizon to NBE" (NB/IFS/009). Reconciliation Reports will be provided in accordance with the document "Network Banking End to End Reconciliation Reporting" (CS/SPE/011).

From requirement 831

EFTPOS (although stated as not part of the initial procurement Pathway notes the terms of requirement 692).

Reconciliation and exception reporting. Reports will be provided in accordance with APS Host Operational Reconciliation Reports for CSR+ (AP/IFS/048) and Pathway to TIP Application Interface Specification.

Operational management information.

Inspection of transaction and event logs for audit and security purposes.

Transitional arrangements in relation to the automated payments/ALPS host. Automated Payments: Pathway will provide interfaces in accordance with Pathway to HAPS Interface Specification. ALPS host: Requirement 899 specifies that the stop lists for OBCS will be transferred from DSS to TMS; Pathway will provide interfaces in accordance with DSS Client Interface Specification \ OBCS.

Transitional arrangements for cash account processing. Pathway will provide facilities in accordance with Service Architecture Design Document Section 4.1.3.3.4.

From the POCL Interface document (where not stated in requirement 831)

File and message switching interfaces. These are covered in requirements 471 and 478.

Pathway confirms that each interface will be specified in a Contract Controlled Document. Such specifications for interfaces shall be introduced or changed through the Change Control Procedure.

Pathway Comment
None

Reference No 832

Pathway Response
The overall business processes at the counter shall be as specified in the documents:
"CSR+ Access Control and User Administration Processes and Procedures Description" (CS/PRO/090)
"CSR+ Automated Payment Service Processes and Procedures Description" (CS/PRO/091)
"CSR+ Electronic Point of Sale Service Processes and Procedures Description" (CS/PRO/095)
"CSR+ Horizon System Helpdesk Processes and Procedures Description" (CS/PRO/092)
"CSR+ Introduction Processes and Procedures Description" (CS/PRO/093)
"CSR+ Logistics Feeder Service Processes and Procedures Description" (CS/PRO/096)

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"CSR+ Order Book Control Service Processes and Procedures Description" (CS/PRO/094)
"CSR+ Operating Environment Processes and Procedures Description" (CS/PRO/097)
and "Audit Trail Functional Specification" (CR/FSP/006) for the current release, and for the release supporting NBS:
"Network Banking Service Processes and Procedures Description" (NB/PRO/001)

Pathway Comment
None

Reference No 833

Pathway Response
EPOSS will support a training mode. It will support "trainee" users and "training stock units". Operations on training stock units and any associated transactions will be recorded. Balancing of training stock units will be permitted but this information will be excluded from the office balancing and accounting process.
Support for training mode is excluded from NBS.

Pathway Comment
None

Reference No 834

Pathway Response
1. Adequate Contingency

The Pathway solution and supporting services provide comprehensive contingency arrangements for all outlets. These include :-

A distributed design which insulates the majority of counter transactions from any failures external to the Outlet.

Comprehensive help desk support to provide OBCS transaction authorisation where an Outlet is out of action.

Highly resilient designs for TMS, including multiple servers and resilient local and wide area networks.

Transition of a post office will be undertaken on a "whole office" basis and will be capable of being performed at any point during the weekly cash account cycle. The sooner after the weekly cash account is struck the less the retrospective re-application of transactions will be required, whether this re-application is manual or automated.

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Because of this approach, contingency during transition of a post office does not represent a discrete requirement.

Facilities will be provided to enable information from offices with ECCO+, Capture, PO Balancer (and similar programs) to be extracted, converted and used as part of the automation initialisation process. The automated migration of such data will be implemented if sufficient information is available about its storage and the number of offices affected is large enough to warrant the creation of the appropriate migration software.

The extraction of data from the office's existing systems will be carried out in a non-intrusive manner such that the integrity of the systems being replaced will not be is not compromised and will be available for live use until the manager is satisfied that the new system has been adequately established. In particular systems will permit more than one migration sequence to be attempted such that a failed attempt does not compromise the live system.

It is envisaged that all cash account products will be "transactable" (in at least a minimum form) as soon as the office EPOSS automation is operational.

2. [not used]

3. Plain Paper Summaries

Each Outlet will be equipped with a back-office printer capable of producing plain paper summaries. The format of these summaries is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

4. 2-D barcodes

Each Outlet will have the ability to print a 2-D bar code on the plain paper summary

Pathway Comment
None

Reference No 835

Pathway Response
1. Benefits encashment and other Automated products will be integrated into the EPOSS Desktop and will utilise its customer session management and transaction recording facilities such that:
a) The EPOSS Desktop will automatically record the transaction details.
b) A local transaction record will be stored for summarisation and balancing.
c) The information recorded locally will be consistent with the information provided (via TMS) to other systems.
d) Transaction times will be minimised but need not be shorter than the relevant agreed benchmarked counter transaction times. The transaction application will be invoked

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automatically on the peripheral device read event. Transaction data will be obtained during the device read such that manual data entry is reduced.

2. EPOSS will support the provision of transaction summaries for comparison with other records. It will provide summaries showing detail and totals for the following items:
a) motor vehicle tax discs on hand;
b) milk tokens on hand;
c) cheques;

3. Summaries will be enhanced in the process of automating transactions to show information about items issued, held, received, returned and spoiled. Individual serial numbers will be included where appropriate.

Pathway Comment
None

Reference No 836

Pathway Response
1. Pathway will investigate and assess the level of integration that can be achieved between the CRISP system and EPOSS. In the case where the CRISP system is truly standalone it is anticipated that the sharing of information will be achieved via file or communications media. If the CRISP system is to coexist with EPOSS on the same windows NT platform then integration will take the form of sharing data via OLE automation.

2. There is a very broad range of secondary businesses run by Agents in post office Outlets. This means that it is probably not a good approach to attempt to cater for every type of business as an integral part of EPOSS. The facility will be provided to allow appropriate applications for other business to coexist with EPOSS on the same Windows NT platform. Transactions from these applications will be identifiable as separate from EPOSS transactions particularly with respect to accounting procedures.

3. The information recorded for each transaction will be dependent on the transaction itself. In general, it will include the following:
a) Outlet, clerk, and counter position.
b) Date and time.
c) Unique Product Identifier.
d) Value.
e) Quantity.
f) Product, client and/or scheme reference codes (if applicable) .
g) Various customer details (if applicable)
h) Methods of payment. In many cases the settlement will be applied to the whole customer session rather than individual transactions.

4. EPOSS will support the introduction of new Client services. These will be integrated into the EPOSS product set so that they can be invoked by the appropriate event. In most cases the introduction of a new product will be achieved through the distribution of reference

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data updates via TMS. In addition to reference data updates, functionality can be introduced dynamically using applets (and again these can distributed via TMS).

Pathway Comment
We should beware increasing the complexity and therefore the cost of EPOSS to all post offices for the benefit of just a small number of post shops. At present the contractor has very little information on the CRISP system (2 pages in the SSR) and this is not sufficient to formulate a specific response to the requirement. Pathway would like to discuss the CRISP requirement with the Programme to take this forward.

Reference No 837

Pathway Response
1. EPOSS will support the production of the following predefined reports:

a) Transaction level reports by stock unit printed on clients' stationery using the counter printer or, if the physical size or layout of the stationery demands it, the A4 Outlet printer.
b) Transaction level reports by stock unit printed on plain paper using the counter printer or, if the physical size or layout demands it, the A4 Outlet printer.
c) Reports on the current level of value stock products by stock unit.
d) Reports of transaction volumes and values.
e) EPOSS will produce cash account reports.
f) Reconciliation reports.
g) Reports on cash and value stock movements.
h) Ad-hoc MIS reports as agreed with POCL.

2. EPOSS will support the printing of reports in accordance with POCL and Client requirements on frequency subject to the capacity of the printer provided. The printing or output of reports will be at the users discretion. Client reports will be produced on a daily and weekly basis and it where appropriate the facility will be provided to print several weekly reports within a accounting period.

3. EPOSS report layouts may be defined for each financial year, and EPOSS will use the layout relevant to the year being reported upon when printing a report. Requests for new layouts must be made by Change Request.

Pathway Comment
The contents of these reports will be defined in the CCD entitled "Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service".

Reference No 838

Pathway Response
1. EPOSS will allow the entry of additional information associated with transactions. It will permit some of this information to be entered at a later time. EPOSS will not permit

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information to be entered which will compromise the integrity of any balancing or accounting processes. EPOSS will support the post-event entry of transaction information such as the weekly total of inland parcels posted as prepaid by franking meter label.

2. EPOSS will support the entry of data for transactions (including local schemes) where only the volume is recorded for accounting purposes.

Pathway Comment
None

Reference No 839

Pathway Response
EPOSS will provide retail functionality similar to that used in PostShops. This will be available for delivery at a later date to be agreed with POCL. The retail functionality will:

support the existing post shop products
be extendible to allow for the introduction of new retail products and other changes in the product range
allow retail items to be mixed with non-retail transactions at the counter within the same customer session
record the sale of each retail product as a separate transaction against the user and the stock unit
support price (and other information) lookup for retail products
adjust the office retail stock levels in real-time in response to receipt, return and selling of retail items.
allow office stock level interrogation on demand
support a weekly office "stock-take" activity
reconcile retail transactions as a single line entry in the Receipts table in the stock unit balance, office balance and the cash account.

It is understood (from Req 836) that the integration of the CRISP system used in PostShops and the EPOSS system will be assessed. EPOSS will also endeavour to provide the type of retail functionality which will support the following:
a) Till functionality.
b) Discounting.
c) Coupon management.
d) Multibuys.
e) Promotions.
f) Marketing.
g) Reporting.

Note
The retail product set is considered to be separate from the stock unit product set and will be maintained and accounted for on an office wide basis.

Pathway Comment

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We should beware increasing the complexity and therefore the cost of EPOSS to all post offices for the benefit of just a small number of post shops. At present the contractor has very little information on the CRISP system (2 pages in the SSR) and this is not sufficient to formulate a specific response to the requirement. Pathway would like to discuss the CRISP requirement with the Programme to take this forward.

Reference No 869

Pathway Response

1. Pathway notes that POCL are not concerned with the performance of individual subsystems per se, but that their primary concern is with the overall performance of the service as it impacts upon their own systems, clients staff, agents and customers. Pathway notes that targets for the level of internal performance between its subsystems will therefore not be set by POCL , but that internal subsystem performance will be judged by POCL as it affects overall service performance.

2. Pathway will specify the internal performance requirements of any subsystem that is re-tendered. Pathway will maintain and report actual measured performance for TMS in respect of its interfaces with other subsystems.

3. Pathway will specify the performance requirements and tolerances for :
   - 3.1 Hours of operation of the TMS
   - 3.2 Response time required between TMS and OPS
   - 3.3 The number of outages of TMS, identifying types of outage monitored
   - 3.4 The availability of TMS.

4. Pathway confirms it will report against all the requirements and tolerances identified in (3) above.

5. Pathway will maintain detailed technical documentation of the interfaces from TMS to, OPS and all attachable computer systems. In the event of any changes to any interface to TMS, this will be notified to POCL in advance with updates to technical documentation made within 10 working days of the change being implemented.

Pathway Comment

None.

Reference No 870

Pathway Response

1. EPOSS will be implemented such that it operates efficiently and accurately with the minimum of user interaction with the keyboard and other devices. It will endeavour to reduce the transaction times wherever possible such that the serving of a customer is not slowed down overall. The system response to peripheral input will be maintained at an acceptable level.

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2. EPOSS will provide summarisation and balancing facilities in an efficient manner so as to avoid unnecessary re-processing due to data adjustments.

3. Normally, EPOSS will record the time of completion for each transaction. This means that the time from the end of one transaction to the end of the next can be measured. EPOSS will also record the beginning of a customer session as the point where the first transaction is invoked. Whilst this does not provide a strictly accurate measure of transaction time it can used for simple analysis. It is recommended that the analysis of transaction times be carried out centrally using information extracted from TMS. This will allow transaction times to be compared across Outlets so that averages, trends and substantial performance deviations can be reported.

If a higher level of detail is required then mechanisms can be implemented to capture all recordable user and system events (device input/output, keystrokes etc.). It is recommended that this is type of mechanism is only used on a temporary basis for monitoring purposes.

4. EPOSS will perform transactions in a predictable and consistent manner such that the elapsed time from invocation to completion for the same transaction (i.e. same type, similar data entry, similar office size and office load conditions) does not vary to a statistically significant extent. Where the transaction time does not meet this criteria then Pathway and POCL will investigate and agree an appropriate course of action. This analysis and investigation will exclude NBE and bank system performance for Banking Transactions.

Pathway Comment
None.

Reference No 871

Pathway Response
1. EPOSS will be implemented such that the version of any reference data being referenced from outlets will be the latest applicable version of such reference data. The version of such reference data will be considered fully updated when all applicable updates have been applied. If one day's worth of updates have not been applied then the version will be deemed to be one day behind and so on.

2. Transaction data will normally be forwarded to POCL central systems (e.g. TIP) soon after the completion of the business day on which the transactions occurred as part of one or more batch communications transmissions. Transaction data not available for the first transmission will be included in a subsequent transmission.

Data which is included in the first batch transmission to take place after the time of the completion of the business day will be deemed to be in the first batch transmission and so on.

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3. Batch transmission times will be agreed for each POCL central system, but will not be scheduled to complete before 0430 on the morning of the day following the business day in question.

Service levels for the above will be as described in Schedule F08.

Pathway Comment
It will be necessary to define the time or times when the business day is deemed to end.

It will be necessary to define the start and finish times for the first, second and third transmission windows.

Pathway notes that the definition of transmission of batched transaction data does not anticipate transmission to commence before the end of the business day in which the transactions occurred.

Where an outlet does not report end of day by the time the latest time for this signal then Pathway will compile the transaction record on the basis that end of day was signalled at that time. It will be necessary to define the time or times for the signal which may or may not be the same as end of business day.

Reference No 880

Pathway Response
Transaction data from the Outlets and sent to TIP via TMS will follow the specifications defined in the TIP Applications Interface Specification.

Pathway Comment
None.

Reference No 890

Pathway Response
1. AP Transactions

All Transactions that take place in an Outlet shall be automatically and securely replicated to TMS throughout the day. Transactions, once committed locally as part of a Customer Session, shall be immediately replicated to any other Counter Position PCs in the Outlet and periodically to central servers in TMS. Each Transaction shall have a unique and increasing sequence number and TMS facilities ensure that Transactions cannot be replicated out of sequence.

An end of day marker will be written at a pre-defined point in the day. This will be replicated to the central TMS journal, along with any remaining transactions and any end of day control totals (since the last replication).

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TMS Agents shall extract information from the central TMS journal, between the previous and current end of day markers for each Outlet recording an end of day marker. Files are prepared from the extracted information (including transaction and value totals) for subsequent dispatch to POCL and their Clients. Any Outlets for which an end of day marker has not been received shall be identified and investigated.

2. POCL and Client synchronisation

The AP datafiles for AP Clients and the files for POCL (i.e. for TIP or equivalent) will be generated following Outlet closing time.

Transactions for AP Clients and for POCL are all derived from the same source data (in TMS) and shall therefore be consistent. File dispatch to POCL and POCL Clients shall be determined by the operational windows agreed with these parties but will normally occur at least once every twenty four (24) hour period, as agreed with each Client.

The agents which extract data for Clients and TIP act independently and can access the same source data simultaneously. This ensures that the data received by TIP is consistent with the data transmitted to the Clients, and any differences reconciled on a daily basis.

In addition to the Outlets' Transaction records, the end-of day records will be transmitted to TMS by Outlets. These records are used by the agents harvesting data for Clients and TIP to ensure that the same data is harvested on each stream.

3. Interim Solution including HAPS

Up until the CS Completion Date or earlier if appropriate, Client Transaction interfaces shall be supported directly from HAPS and shall be transferred to the Contractor as described in the AP Client Migration Strategy. During this period Transactions shall be passed between the Contractor and HAPS in accordance with the Pathway to HAPS Interface Specification or in accordance with the "Pathway to HAPS Application Interface Specification (Horizon Release 2+)" and the "Pathway to HAPS Technical Interface Specification", dependent on the Release in question.

Transactions for HAPS and for TIP are all derived from the same source data (in TMS) and shall therefore be consistent. File dispatch to TIP and HAPS shall be determined by the operational windows agreed with these parties but shall always occur at least once every twenty four (24) hour period.

The TMS agents which extract and transmit TMS data to HAPS and TIP act independently and can access the same source data simultaneously. This ensures that the data received by TIP is entirely consistent with the data transmitted to the Clients. The Contractor shall produce reports which will reconcile the timing differences between data sent to TIP and HAPS .

Pathway Comment
None

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Reference No 891

Pathway Response

1. General requirements

1.1 The Contractor shall ensure that all captured data (that is inward data across service interfaces) is complete, and accurately reflected in the appropriate outward interfaces. These specifically to include:

- Transaction data of all Transaction types and modes including Stock and money levels;

- Reference Data changes, both local (from an individual Outlet) and from POCL Reference Data System except for any transient arrangements.

Such data consistency shall be maintained at the levels of interface and across interfaces according to requirement, e.g. data captured in EPOSS is accurately reflected in the interface between OPS and TMS.

1.2 The Contractor shall provide for the synchronisation of data flows and storage, by applying timing data (date and time stamps) and time sentinels (end of day records) as appropriate. This specifically to include:

- monitoring data transfers and accounting for data brought forward, received, passed on and carried forward across the Service boundaries;
- monitoring data transfers and accounting for data across interfaces internal to the Contractor for example, EPOSS transaction data transferred to TMS and subsequently transferred to TIP;
- where a single data stream is "switched" to more than one recipient, the Contractor shall reconcile or eliminate any differences due to timing between transfers, providing information to each recipient such that they can reconcile with other recipients of the same data even though such recipients may process the data at different times and frequencies
    - for example, POCL require (at least) daily volume and value totals of APS Transactions sent to its Clients such that POCL may reconcile these against the daily volume and value totals sent to TIP.

1.3 The Contractor shall ensure that data is consistent between the levels where Transaction or Stock and money level data is held, maintained or transferred at more than one level. This specifically to include Transaction data at summary and individual item level.

It should be noted that the solution maintains Transaction data in its original, non-updated and most finely divided form within TMS both at the post office and correspondence server layers, and that all derivations are from this invariant base.

1.4 The Contractor shall perform daily cut-over reconciliations for any on-line interfaces with external systems, for example between TMS and any EFTPOS merchant acquirer. In particular, interfaces with POCL Clients which transfer data up to declared cut off points shall contain reconciliation data to check that the data received corresponds with that sent.

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1.5 The Contractor shall report reconciliation results to POCL including any reconciliation exceptions. Reconciliation exceptions will be held in a Reconciliation Exception Database (RED) and the progress to resolution of each outstanding exception will be reported to POCL. These to include reconciliation results:

- between the Contractor and POCL;
- between the Contractor and other external interfaces (e.g. POCL Clients) to enable POCL to maintain its commercial relationships;
- between the Contractor's internal service components (to inform/assure POCL on the status of the Pathway system and service).

1.6 The Contractor shall apply appropriate integrity controls at all interfaces and provide information demonstrating integrity.
For interfaces that are already in place integrity controls shall be as specified in the document titled POCL Interface Requirements For BA/POCL System, version 1.6, dated 16 April 1996. For new interfaces such integrity controls shall be agreed through a process which is defined in the documents Business Requirements Definition (reference PA/STD/003) and New Service Introduction (reference PA/PRO/007).

1.7a The Contractor shall control the implementation of configuration changes, including changes to Reference Data. This to include:

- checking and reporting the implementation of changes against instruction;
- maintaining the integrity of other reconciliation processes across configuration changes, including demonstrating this in testing.

1.7b The Contractor shall meet all reconciliation requirements in contingency situations as well as in normal working.

1.8 Targets for all reconciliation requirements for the Existing Services are:

- full reconciliation with 100% of items accounted for;
- provision of reconciliation reports identifying reconciliation totals at summary level and RED reports for reconciliation exceptions at detailed levels, for example at Transaction level for Transaction data;
- the Contractor shall resolve any reconciliation exceptions produced by its reconciliation processes;
- the Contractor shall provide reconciliation reports at summary level and identification of reconciliation exceptions to POCL by 09:00 am of the day following that in which the reconciliation exception occurred;
- the Contractor shall use all reasonable endeavours to resolve reconciliation exceptions promptly.

For APS at CSR, this is described within ICL Pathway document CR/SPE/005 "Specification for APS Reconciliation Reports - for Release NR2".
For APS at CSR+, this is described within ICL Pathway document AP/IFS/048 "APS Host Operational Reconciliation Reports for CSR+" and in the CCD CS/PRO/128 "APS Reconciliation and Incident Management".
There is no reconciliation for OBCS.

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Reconciliation targets for the NBS shall be as described within the CCD entitled "Network Banking End to End Reconciliation Reporting" (CS/SPE/011), and the CCD entitled "Network Banking Reconciliation and Incident Management" (NB/PRO/002).

2. Outlet Reconciliation Requirements

2.1 The Contractor shall ensure that Stock and money levels are reconciled with Transaction data. This will be:

- at the Transaction level;
- at the Customer Session level;
- at the Stock Unit level;
- at the Outlet level.

The requirements for balancing within an Outlet are defined in the EPOSS requirements, those for Stock and money movements between Outlets shall be reconciled by the POCL Inventory Management System using data provided to it from EPOSS via TMS.

2.2 The Contractor shall provide the fundamental controls for Stock and money brought and carried forward, Transaction data and transfers to/from suspense as detailed in the EPOSS requirements as well as facilities to allow permitted reversals and rectifications. Such controls will be available in fallback or recovery after failures.

2.3 The reconciliation of Stock and money for Transactions shall be, in effect, instantaneous, with a record of the levels of Stock and money within a Stock Unit being maintained as the Transaction is committed.

3. TMS reconciliation requirements

3.1 The Contractor shall maintain controls on operations including connection to and loss of communications with Outlets or with other POCL Service components to alert the Contractor's operational management to situations and/or events requiring its attention. In particular the Contractor shall produce a daily report of Outlets which have not been polled (including date of report, FAD code of each unpolled Outlet and the date when that Outlet was last polled), and e-mail that report to POCL's Business Support Unit.

3.2 The Contractor shall apply controls on file and data transfers at all technical levels and, using relevant counts and financial totals, at business levels. The Contractor notes that POCL will rely on information provided via TMS interfaces to its TIP and IM systems for reconciliation and control of various office business processes. In the period before the CS Completion Date, where the Client's interface is supported directly from HAPS, POCL will also rely on information provided via a TMS interface to its HAPS system for reconciliation and control of APS related office business processes.

3.3 The Contractor shall ensure that information provided to POCL via TIP makes explicit what Transaction data has been sent to its Clients.

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3.4 Additional reconciliation processing will be provided for NBS, the outputs of which are specified in the document "Network Banking End to End Reconciliation Reporting" (CS/SPE/011)

4. Commercial reconciliation requirements

4.1 The Contractor shall provide information to enable reconciliation of POCL Services provided by the Contractor with Charges made by the Contractor.

4.2 The Contractor shall act, and be seen to act, as an agent for POCL in reconciliations with other parties, and provide the necessary information for it to exert appropriate management control over operations performed on its behalf:

The Contractor shall undertake the operational aspects and take responsibilities as each defined in the Contract.
The Contractor shall ensure that the commercial relationships between POCL and third parties are not compromised.

Pathway Comment
None

Reference No 894

Pathway Response
1. Pathway's Management Information System (MIS) will capture the data necessary to facilitate effective contract and service management. It will employ exception reporting for business performance and monitoring reviews.

1.1 Contractual information presented via the business review route will embrace:
a) Service Level Performance (by event, priority, classification and type)
b) Service Delivery Analysis (by product, function, outlet and role)
c) Contractual Alerts and Escalations (by Red, Orange and Amber classification)
d) Systems Operation (by type, performance and availability).

1.2 Information relating to business reviews will be analysed via exception reporting during the life of the event. Where this relates to alerts and escalations it will be supplemented by a declared owning problem/project manager. Critical dependent systems will be subject to full SLA monitoring and reporting via the review forum.

2. Requests by POCL for information during the life of the contract, and relating to service management of the contract, will be handled and processed in an effective and efficient manner. Formal requests for information will be via the business review route and delivered against pre-declared agenda requirements. Please note that Pathway does not commit to providing an MIS service after the life of the contract unless provision for this is explicitly made within the Contract.

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2.1 Special and ad-hoc information needs would have to be fully understood and sized before contractual commitment can be made. The scope, volume, timing and frequency of such requests would be part of the task activity before such commitment. Currently this is neither defined or qualified.

3. Pathway will provide information that would facilitate infrastructure activities by POCL in matters embracing resource, network and productivity. Where these topics are an integral part of service delivery events they will automatically be included in the business review forum. Additional or supplementary requests would fall under the criteria of paragraph 2.1 above.

3.1 Data will be available that enables service analysis against the key attributes of POCL outlets. Flexibility will be maintained by making data organisationally independent. Thus any organisational based information will be defined and qualified by construct at the time of information search enquiries.

4. Pathway will, via the review forum, provide service delivery information that would facilitate extrapolation for marketing planning activity. Full trend and plan projections against forecasts and budget could result. Pathway EIS would be an enabler for the task but not a deliverer of it; limited by current defined requirements. Future needs, by definition, are not known.

Pathway Comment

1. Note the caveat at section 2 relating to MIS service after the life of the Contract. What would be the commercial basis of a service "after contract"?

2. There are one or two areas where apparently "open ended" commitments have been requested.

Reference No 895

Pathway Response

The POCL Service Architecture will be capable of monitoring irregular encashments and reporting on them. Information will be shared with POCL Audit/Security/Operations when it relates to an Outlet in relation to the following pattern.

1. Daily reports of Transactions at a non-live Outlet i.e. one reported to the Contractor as temporarily out of commission

This does not apply to NBS, for which separate MIS reports are produced as specified in "Network Banking MIS Reports Design" (NB/SDS/008).

Reference No 896

Pathway Response

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Pathway will develop an electronic publishing and communications strategy jointly with POCL to establish the business requirements and feasibility.

You will see by reference to our response to requirement 471, that at first sight that electronic information is not cost effective and does not meet requirements for fallback operation or for situations when staff will wish take paper documentation home to read in their leisure time.

Pathway Comment

None

Reference No 898

Pathway Response

1. OBCS will be implemented using TMS and OPS and will based on the current ESNS in use in ALPS post offices.

2. The implementation of OBCS will comply with the Horizon OPS Style Guide.

3. Horizon System Helpdesk support will be provided to all users of OBCS.

4. OBCS will be available at every counter position in every automated outlet, at which OBCS is required, during the normal opening hours of that outlet.

Pathway Comment

None

Reference No 899

Pathway Response

1. Local Stop List proposal

Pathway propose that a local stop list strategy be adopted in order that the risks and costs associated with maintaining and accessing the entire stop list at every outlet are removed. Each post office will have a local stop list. Foreign Order Book encashments will be checked against remote stop lists accessible via TMS.

For a full description of the manner in which Stop Lists will be maintained see Service Architecture Design Document, Section 4.1.4.2.2.

2. Pathway understand that the maximum size of the stop list will be 1.5 million entries.

3. Pathway understand that the maximum size of a stop list update will normally be 100,000 entries. The Pathway solution for the OBCS stop list is not as sensitive to the size of

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the stop list as other solutions, such as that used by ESNS. Pathway would require notification if POCL expected the stop list update size to exceed 100,000 entries.

4. Pathway understand that a null content file may be sent comprising solely of header and footer records.

Pathway Comment
In proposing this solution to OBCS Pathway have adopted an approach which exploits the distributed architecture of OPS and in addition minimises the volume of data transfer and local processing.

Reference No 900

Pathway Response
The functionality required of OBCS will be provided in a local counter application which will run on OPS and will conform to the same technical architecture as other OPS supported counter applications.

The Pathway OBCS application will provide a facility to deal with barcoded order books presented for payment for encashment of benefits at automated outlets.

For a full description of the manner in which Order Books will be processed see Service Architecture Design Document, Section 4.1.4.2.3.

Pathway Comment
None.

Reference No 901

Pathway Response
1. When an order book with no barcode is presented for encashment OBCS will prompt the clerk to enter the number of vouchers to be encashed. A default of one (1) will be presented which the clerk can override.

2. As part of the end of day process, each outlet will calculate the number of vouchers encashed for non-barcoded order books. This will be replicated to central TMS which in turn will return this information to DSS.

3. This information will be supplied in accordance with the DSS Client Interface Specification \ OBCS

Pathway Comment
None.

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Reference No 902

Pathway Response
The Service Levels will be as described in Schedule H08.

Pathway Comment
None.

Reference No 903

Pathway Response
The Service Levels will be as described in Schedule H08.

Pathway Comment
None

Reference No 905

Pathway Response
The Pathway solution for the OPS system includes a facility for linking associated services and product offerings with any particular transaction type, such that the User is prompted to offer customers such services at the time of transaction.

The extent of such additional services to be provided will be agreed with POCL.

Pathway will accept full responsibility for the accuracy and integrity of data supplied to the User through the OPS. The accuracy and integrity of product information and data supplied by POCL and faithfully represented to the User by the OPS shall be POCL's responsibility and liability.

Pathway Comment
None

Reference No 906

Pathway Response
Pathway's Roll Out strategy is based upon a geographic area-by-area approach.

Pathway's implementation programme effects delivery and installation of counter equipment on the same day unless specifically requested otherwise. This may be the case for example in large offices where we understand that a weekend installation is preferred.

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Referring to the text of the requirement, it should be noted that we have not interpreted "new" terminals to mean "unused" terminals. Pathway may supply equipment which has been used in other post offices, particularly in the case of office relocation, upgrade or other changes.

Pathway confirms that Installation covers physical placement, connection to the system and testing.

Pathway Comment
None

Reference No 911

Pathway Response
Pathway confirms that it will maintain accounting and reporting integrity across changes in the versions of operating software and hardware. Such changes will include upgrades or rollbacks of whole POCL Services or other subsystems, changes to software and reference data, operating controls and so forth.

This will include implementation of changes to effect rollback to a previous version, and operation of the whole POCL Service where parts have been updated or rolled back. Reference data shall be upgraded or rolled back in step with the objects or operations to which it refers.

Each transaction will be matched against the version of the product that was active at the time of the transaction. This link will be maintained to allow transactions against different versions of a product to coexist and be correctly accounted for.

Pathway Comment
None

Reference No 912

Pathway Response
1 Pathway will arrange for the electrical safety testing of all of its equipment installed on POCL's sites enabling POCL and Postmasters to meet their legal obligations under the Electricity at Work Regulations 1989.

2 The Regulations

2.1 The Electricity at Work Regulations 1989 are a statutory instrument arising from the Health and Safety at Work Act 1974. The purpose of the regulations is 'to require precautions to be taken against the risk of death or personal injury from electricity in work activities'.

2.2 The regulations impose duties on employers in respect of 'systems, electrical equipment and conductors and in respect of work activities on or near electrical equipment'.

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2.3 To meet the requirements of the regulations, which came into force on 1st April 1990, it is necessary to assess all electrical equipment, including information technology equipment, with a view to eliminating possible hazards. In practice this will usually necessitate a program of recorded inspections and where appropriate, tests.

2.4 Full and accurate records must be kept, if for no other reason than the 'duty holder' can demonstrate that 'all reasonable steps were taken and all due diligence exercised to avoid the commission of an offence under the Act'.

2.5 The onus for compliance is with the employer, who is responsible for the correct use of the equipment and the safety of employees. The regulations define the employer or his nominated employee(s) as the duty holder.

3 Scope of the service

3.1 The Electricity At Work Inspection And Test Service enables Pathway's customers to meet their legal obligations under the Electricity at Work Regulations 1989.

3.2 The service provides for inspection, test and labelling of each item of electrical equipment. Full records will be presented to the customer on completion of the service.

3.3 During the service, the Pathway service deliverer will carry out the following activities:

Visual inspection of all Pathway installed equipment and mains cords on the customer site
Tests systems on the customer site using appropriate tools and test equipment. Testing of each item is undertaken by application of the relevant test procedure
Attaches a colour coded sticky label to each item inspected and tested to indicate success (of inspection and relevant test) or failure
Replaces faulty detachable mains cords, incorrect value fuses and damaged plugs
Re-terminates plugs where necessary
Renders inoperative any electrical item which fails the inspection and test and brings this to the attention of the customer and arranges for its replacement
Records test results against a unique identifier for each item

3.4 Once these activities are complete the service deliverer provides the Postmaster with the test results. Test results will also be made available to POCL and will be maintained in Pathway's database.

3.5 The service is delivered during normal office hours, however, Pathway may agree to provide the service outside those hours on request. The schedule for safety test visits will be agreed in advance with Postmasters and POCL's Service Managers.

3.6 All remedial maintenance work carried out on site will comply with the standards prescribed and will ensure that the requirements of the Act continue to be met upon return to service.

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3.7 Pathway will report on the progress of its safety test schedule at each monthly service review meeting.

Pathway Comment

The regulations apply to all items of electrical equipment on the site. Pathway will be pleased to quote for the extension of this service to cover all other electrical items not supplied by Pathway.

Reference No 913

Pathway Response

1 Introduction

ICL Pathway will provide one paper and one electronic copy of the automated counter procedures derived from the PPDs to Horizon Product Management covering all automated transactions. These automated counter procedures will be suitable for incorporation by POCL into the Horizon System User Guide (HSUG).

2 Availability

2.1 POCL Head Office Publications is responsible for the distribution of the HSUG to all dependent users. The users of the POCL Services are:-
All Outlets, Head Office, Business Centres, Central Services and Regions (including Regional Helplines) and Retail Network Managers.

2.2 Other Users

POCL Head Office Publications is responsible for the distribution of the HSUG which is despatched to, and is readily accessible to, all users outlined at 2.1. The HSUG will be available to users at all times.

2.3 Contingency/Disaster Recovery Arrangements

The HSUG will contain comprehensive fallback and recovery procedures needed to perform transactions in the event of a system failure.

3 Content of User Documentation

POCL will add the manual procedures to the ICL Pathway provided automated procedures to provide a complete set of operational procedures for staff at Post Offices and other outlets. This will be subject to POCL Client Managers' approval.

4 Accuracy of Information

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ICL Pathway will provide Horizon Product Management with the automated counter procedures. POCL will review the automated counter procedures and confirm their suitability for incorporation into the HSUG.

POCL will incorporate the automated procedures with the manual procedures for testing purposes. POCL will provide ICL Pathway with one paper and one electronic copy of the combined automated and manual procedures which are to be used for testing before any POCL testing commences. POCL will allow ICL Pathway 15 working days to review the combined procedures to determine their accuracy and to confirm that no procedure is detrimental to the accurate processing and efficient performance of the Horizon system. ICL Pathway may return comments to POCL which POCL will take account of in so far as is reasonable. Should POCL not act reasonably upon any such comment then ICL Pathway will not be liable for any adverse effect attributable to such failure to act.

During testing POCL will notify ICL Pathway of any required amendment to the automated counter procedures within 5 days of the identification of such amendment. When so notified of a requirement for a minor amendment to an automated counter procedure ICL Pathway will provide POCL with a Word document which identifies the necessary change to be made to the automated counter procedure. Should a major change be required to an automated counter procedure ICL Pathway will provide POCL with a new version of the automated counter procedure produced using FrameMaker version 5.5.3 software. Should there be a requirement for a new automated counter procedure ICL Pathway will provide POCL with this procedure produced using FrameMaker version 5.5.3 software. ICL Pathway will use reasonable endeavours to provide the Word document or the automated counter procedure to POCL in the shortest time practicable.

POCL will provide ICL Pathway with a paper copy of the first draft HSUG which will be tested during the final phase of testing. POCL will provide this draft to ICL Pathway prior to the commencement of the final phase of testing.

Following testing POCL will review the combined automated and manual procedures and confirm their accuracy and mark them approved. POCL will use reasonable endeavours to provide ICL Pathway with one paper and one electronic copy of the approved combined procedures in the shortest time practicable.

POCL will organise the approved combined procedures and non-automated procedures used at the counter into the version of the HSUG which will be reviewed by POCL prior to delivery to the printers. POCL will provide ICL Pathway with reasonable notice of the planned period of this review and invite ICL Pathway to participate in this review. During this review period ICL Pathway may return comments to POCL which POCL will take account of in so far as is reasonable. Should POCL not act reasonably upon any such comment then ICL Pathway will not be liable for any adverse effect attributable to such failure to act. POCL will provide ICL Pathway with one paper and one electronic copy of the HSUG identical to the copy delivered to the printers.

POCL will provide ICL Pathway with a copy of the printed HSUG at the earliest possible opportunity. ICL Pathway will review the printed HSUG and may return comments to POCL which POCL will take account of in so far as is reasonable. Should POCL not act reasonably upon any such comment then ICL Pathway will not be liable for any adverse effect attributable to such failure to act.

Furthermore ICL Pathway will not be liable for any adverse effect attributable to problems in the production of any form of the HSUG whether formally printed or photocopied or by any other means produced and issued by POCL.

POCL will provide ICL Pathway with details of any and all subsequent amendments to the HSUG including addition or deletion or modification of automated or manual or clerical procedures. Details of such amendments will be provided to ICL Pathway at the earliest opportunity and where possible

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before issuing. In the event that it is not possible to provide such amendments before issuing POCL will provide such amendments to ICL Pathway no later than twenty-four hours after issue. This will apply whether or not the HSUG is reissued at the same time as the issue of the amendment.

Notwithstanding this, for amendments to the automated procedures POCL will always consult with ICL Pathway before issue. ICL Pathway will endeavour to review amendments in the shortest time practicable. ICL Pathway may return comments to POCL which POCL will take account of in so far as is reasonable. Should POCL not act reasonably upon any such comment then ICL Pathway will not be liable for any adverse effect attributable to such failure to act.

Should any change be made to the HSUG, or part thereof if amended and issued separately, including addition or deletion or modification without ICL Pathway's prior approval, ICL Pathway will not be liable for any adverse effect attributable to such change until such approval is confirmed.

5 Design of Document

5.1 Visual Identity

ICL Pathway will produce the automated counter procedures using the FrameMaker version 5.5.3 templates provided by POCL. Use of the templates constructed by POCL ensures that the documentation complies with the POCL-Design Application Guidelines which is part of the Visual Identity Policy. POCL Head Office Publications will be responsible for the production of the HSUG, which incorporates the automated counter procedures.

5.2 Communications Policy

The document "A guide to Head Office Communications Team" has not been made available to ICL Pathway and therefore ICL Pathway is not able to conform in any way with paragraph 5.2 of this Requirement.

6 User Documentation for New Product/Service

6.1 Notification of Requirement by POCL

ICL Pathway expect the majority of planned documentation changes for each new product or POCL service to be introduced on to the automated platform to be one element of a Product or Service Introduction Plan. The Product Service Introduction Plan will detail the responsibilities and timescales needed for production of new documentation for the automated platform.

6.2 Drafting of Documentation

The final copy of PPDs and related automated counter procedures for a new product or POCL Service shall be provided to POCL for notification to all system users, by the Counter News medium or by other means determined by POCL and eventual inclusion in the HSUG.

6.3 Final Approval by POCL

Final Approval of all updated user documentation shall be made a number of days before the implementation of that particular change, the timescales to be agreed by POCL and the contractor at the time of agreeing such changes. For routine additional changes approval will be required within 15 days of the implementation.

6.4 Availability

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POCL will provide information of new products and services prior to introduction by the weekly POCL Counter News medium or by other means determined by POCL.

7 Updating User Documentation

7.1 Planned Changes

7.1.1 Notification of Changes by POCL

ICL Pathway will be notified of planned changes by the appropriate authority within POCL in accordance with the timescales described in paragraph 7.1.1 of the requirement. POCL will provide all system users with a change notification in the POCL Counter News medium or by other means determined by POCL and eventual inclusion in HSUG.

7.1.2

ICL Pathway will be notified of final updated user documentation a number of days before that particular change, in accordance with the timescales described in paragraph 7.1.2 of the requirement. POCL will provide all system users with a change notification in the POCL Counter News medium or by other means determined by POCL and eventual inclusion in HSUG.

7.1.3

The same procedures as at 6.3.

7.1.4

POCL will provide updated user documentation by the Counter News medium or by other means determined by POCL immediately prior to introduction. An eventual addition to HSUG will be provided at the earliest version possible. There is a 10 day lead time for each weekly edition of Counter News.

7.2

ICL Pathway commits to making available to POCL, within 24 hours of notification of required emergency changes to the PPDs, a Word document which identifies the necessary changes to be made to the latest version available to ICL Pathway of the automated counter procedures. Corresponding changes to the PPDs will be made as soon as is practicable.

From CSR+ ICL Pathway will be able to alert system users by way of 'on screen' messages to consult relevant documentation concerning such changes. This will map the same lead time as Counter News e.g. 10 days notification on a weekly cycle.

8 [Not Used]

9 User Satisfaction – Monitoring

9.1 Frequency of Monitoring

This is a POCL responsibility.

9.2 User Satisfaction Measurement

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This is a POCL responsibility. Notification of results will be provided to ICL Pathway.

9.3 Conduct of the User Satisfaction Survey
This is a POCL responsibility.

Reference No 914

Pathway Response
1 Introduction

1.1 This response documents the key service characteristics of the Horizon System Helpdesk service.

2 Helpdesk Service

2.1 General

2.1.1 The Horizon System Helpdesk will provide a single point of contact providing assistance and fault management to Help Desk Customers. Help Desk Customers will include Users and those of POCL's Clients with access to the POCL Services supported and any other party authorised by POCL and agreed with the Contractor.

2.1.2 The Horizon System Helpdesk service will embrace fault management, advice and guidance and overall operational service management, information and administration. It will operate a full call logging service 24 hours per day, 365 days per year (except Christmas Day).

2.1.3 Contact with the Horizon System Helpdesk will be by 'local-call' telephone (e.g. an 0345 number). The average response time will be targeted at 80% of all calls answered within 20 seconds and 99.9% targeted to be answered within 40 seconds. A target of less than 5% of calls during peak hours will be abandoned calls. The percentage of 'calls not answered' shall be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'.

2.1.4 Three levels of service will be provided extending from Level 1 addressing simple calls through more complex level 2 calls to level 3 calls which involve support from outside of the help desk environment.

2.1.5 Operational Service availability, details of scheduled interruptions and progress towards full service resumption will be communicated by the Horizon System Helpdesk to its customers. The Horizon System Helpdesk management team will assist POCL in negotiating scheduled interruptions to service with the Help Desk Customers.

2.2 Level 1 Service

2.2.1 Level 1 calls may be categorised as those which are relatively simple and straightforward to explain and diagnose and which can be fully resolved in less than 10 minutes by the call taker who will have sole responsibility for the call's progress to resolution.

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2.2.2 As end-users become more familiar and experienced with Pathway's systems, the time required to explain simple resolutions will decrease and may approach an average of 5 minutes. Calls taking longer than 10 minutes to resolve will be categorised either as Level 2 or will signify a potential skills problem within the Horizon System Helpdesk or the post office. Calls identifying potential skills problems will be evaluated by Pathway and raised for discussion at the monthly service review meetings.

2.3 Level 2 Service

2.3.1 Level 2 calls will generally be more complex incidents and potential faults. The Horizon System Helpdesk will make extensive use of 'Expert Systems' diagnostic tools to assist in their resolution and these may require more detailed and extensive analysis, taking more time.

2.3.2 Calls are transferred to Level 2 electronically within the same help desk Call Management System. All of the details of the call are preserved and available at Level 2. Calls at all levels are presented to the diagnosticians in the form of a prioritised stack of outstanding work-in-progress.

2.3.3 Typically, Level 2 incidentswill take less than 30 minutes to resolve but in extreme cases may take longer, up to 45 mins. Much of the diagnosis will be carried out 'off-line' from the originator, and may involve one or more interim telephone calls from the Horizon System Helpdesk to clarify symptoms or elicit extra information.

2.3.4 Level 2 calls will be analysed to identify trends and patterns which may indicate the need for improvements in the diagnostic process. New incidents identified will always be analysed to determine whether an appropriate Level 1 solution is possible to save time in future instances.

2.3.5 As for Level 1, Level 2 calls which take longer than 45minutes to resolve will be categorised either as Level 3 or will signify a potential skills problem within the Horizon System Helpdesk or the post office. Calls identifying potential skills problems will be evaluated by Pathway and raised for discussion at the monthly service review meetings.

2.4 Level 3 Service

2.4.1 Level 3 service is invoked when the call can not be fully resolved wholly within the Horizon System Helpdesk but requires escalation either to a higher level of technical support or to an engineer to perform a maintenance visit.

2.4.2 Hardware, Software and Network incidents will be transferred to Level 3 support electronically complete with all of the details of progress made at levels 1 and 2. These calls will be prioritised and categorised so that they can be actioned within timescales as defined in Schedule G10 section 4.2.

2.4.3 All level 3 calls will be monitored to ensure that the Service Level Agreement is met. The call will also continue to be monitored post resolution to ensure that repeat or intermittent failures are identified as quickly as possible.

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2.4.4 Level 3 calls will be analysed to identify patterns and trends of failure either within specific Outlets or with system items.

2.5 Hours of Service

2.5.1 Pathway will provide a continuous call logging service 24 hours per day every day of the year except Christmas day.

2.5.2 A full Horizon System Helpdesk service is required during the POCL Core Day. A skeleton help desk service shall be provided between 05:00 and 08:00 and between 20:00 and 24:00, Monday to Saturday, and between 07:00 and 22:00 on Sundays.

2.5.3 Calls may be received directly from users or from POCL help desks and help lines. Calls received which are outside of the responsibility of the Horizon System Helpdesk will be transferred to the appropriate authority.

2.5.4 The hours of service may be changed on request given 2 working days notice. Emergency cover may be provided at 5 hours notice.

2.6 Incident and Problem Management

2.6.1 Pathway will employ a specially developed Incident Management System to log and manage all calls to the Horizon System Helpdesk. The system is an enhanced version of one of ICL's current call management systems.

2.6.2 The system data model is comprehensive and records all of the necessary data associated with calls during their life. Call data is recorded as a collection of 'progress details' each date and time stamped and 'signed' by the call taker providing a complete audit trail.

2.6.3 The system will maintain call details including the following :

Site identifier
Call serial number (combined with Site ID provides unique call identifier)
Site details such as address, telephone number and Postmaster's name
Site contact name

Date and time incident reported
Horizon System Helpdesk contact
Incident description
Incident type (such as Hardware, Software, Advice & Guidance etc.)
Identity of any equipment or software associated with the incident
Reported and assessed impact on the Help Desk Customer's business
Priority of the call
Estimated Fix time (for level 3 calls)
Current actionee within Pathway
Referral details
Progress information (date and time stamped and attributed)
Call resolution actions

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Date and Time equipment returned to service
Date and time call closed (accepted by the Help Desk Customer)

2.6.4 The Horizon System Helpdesk system also contains details of engineer schedules. It provides an interface to the 2-way radio paging system used to assign calls to engineers and to the spares system used to control the allocation of spares.

2.6.5 The incident management system will also be used to record and manage incidents relating to systems operational incidents including those associated with the uploading and downloading of data to post offices and interfaces to POCL and POCL Client systems.

2.6.6 All calls will be given one of three priority classifications depending upon the impact and urgency of the incident with respect to the caller's business :

A Caller's business is disrupted and cannot continue normal working

B Caller's business is impaired but a work around is available

C Caller's business is suffering only minor inconvenience

2.6.7 Throughout the life of a call, the Horizon System Helpdesk staff will monitor its progress. The Help Desk Customer will be informed of the planned outcome (if known), of what is expected to happen next and will receive regular updates of progress as specified in the Horizon System Helpdesk PPD and in working document relating to HSH operations.

2.6.8 The scope of the Horizon System Helpdesk operation will be documented in the Horizon System Helpdesk PPD which will be maintained in accordance with Pathway's objective of registration to ISO9001.

2.6.9 Incidents, such as the total failure of systems within a post office, will be given a high priority and managed in accordance with the service management framework, incident management document and the Horizon System Helpdesk Process and Procedures Description for the current release.

2.6.10 An incident will remain open at the Horizon System Helpdesk until agreed with its originator that is has been resolved satisfactorily. The call will continue to be monitored even after closure to ensure that a repeat or consequential problem is not reported.

2.7 Systems and Services Supported

2.7.1 In addition to the incident and call management database, Pathway will create and maintain databases containing user, asset, configuration and change management information.

2.8 Resilience

2.8.1 The Horizon System Helpdesk will operate a fully resilient service across two geographically remote sites with duplexed database servers, networks and telephony systems and separate telephone exchanges and electrical power supplies.

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2.8.2 Each site will normally accommodate half of the Horizon System Helpdesk staff and management team but will have spare capacity to accept increased workload in the event of disaster at the other site.

2.8.3 The sites will be served by dual telephony and Automatic Call Direction equipment which will perform call load balancing between them.

2.8.4 Each site will be connected with Pathway's central systems via dual high speed carriers and will be resilient to single network, system or site failures.

2.8.5 The Horizon System Helpdesk will implement, operate and test contingency processes that comply with the Horizon Systems Helpdesk Continuity Plan (CS/PLA/015).

2.9 Training

2.9.1 During Roll-Out, Pathway will deliver training to POCL staff. This training documentation and POCL's Horizon User Guide will include guidance on how to make most effective use of the Helpdesk services.

2.9.2 Simple step by step instructions will be documented in the operational procedures manual known as the Horizon User Guide, a hard copy of which will be produced and distributed by POCL to each post office.

2.9.3 The Horizon System Helpdesk staff will receive in depth training in all of the operational systems.

2.9.4 The staffing levels at the Horizon System Helpdesk will be set to accommodate peak workload resulting in periods during the shifts where activity is relatively light. These periods will be used by staff for skills development and training.

2.10 Personnel

2.10.1 Pathway will ensure that all Horizon System Helpdesk managers and staff have the appropriate skills and experience. Each member of staff will receive in depth training in Pathway's solution and operational procedures.

2.10.2 All staff will have individual personal development programmes and training plans recording their progress in achieving progressively higher standards of skills.

2.10.3 Staffing levels will be set to accommodate workload peaks, staff absence due to sickness and holidays and natural wastage.

2.11 Service Targets

2.11.1 Pathway proposes that service targets should be established as follows.

80% of calls answered within 20 seconds
99.9% of calls answered within 40 seconds
Calls not answered < 1%

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Abandoned calls (where the caller rings off) < 5%
95% of Level 1 calls resolved within 5 minutes
100% of Level 1 calls resolved within 10 minutes
95% of Level 2 calls resolved within 30 minutes
100% of Level 2 calls resolved within 45 minutes

3 SERVICE MONITORING

3.1 Service Performance Statistics

3.1.1 The Horizon System Helpdesk service will be monitored and reviewed over monthly periods. Statistical evidence of its performance against measures as defined in Schedule G10 or any other measures approved via the Change Control Procedure or on a temporary basis as agreed between the parties at the Contract Management meetings defined in Schedule A04 will be produced by analysis of the data captured by the Horizon System Helpdesk system and by the telephony system.

3.1.2 The analysis will be presented to POCL as defined in Solution 894, within five (5) working days of the end of the period.

3.1.3 The data upon which the analysis is made will be maintained within a relational database system supporting standard SQL enquiries. This will enable Pathway to view the data in a flexible way and provide reports based on problem type, Help Desk Customer group and location, closure time, etc.

3.1.4 Pathway will make extensive use of this data to identify actions to improve process efficiency and effectiveness.

3.1.5 Help desk records will be maintained for a minimum of 18 months.

3.2 Help Desk Customer Satisfaction Surveys

3.2.1 Pathway will be pleased to participate in discussions with POCL to assist POCL to decide on the format and content of the quarterly survey. These discussions will take place at quarterly intervals in the monthly Service Management Review meetings.

3.3 On-line Access and Ad-hoc reports

3.3.1 Pathway will be pleased to discuss the provision of on-line access to its incident management systems for named representatives for the purposes of planned audit and inspection.

3.3.2 Reasonable requests for single ad-hoc service reports will be welcomed and will normally receive a response within 3 working days.

Pathway Comment

1 The number, nature and frequency of the requirements for ad hoc reports is unclear and needs further clarification.

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Reference No 915

Pathway Response

This Pathway Response No 915 shall apply only to Rollout of the Existing Services.

1. Introduction

1.1 Core training

The requirement for POCL training is set out in the document Training Needs Analysis reference SU/TRN/0001 and the Training and User Awareness Baseline document reference BP/TRN/001. As documented in the Training and User Awareness Baseline document the CONTRACTOR will provide an initial maximum allocation of 13,479 courses which may only be varied in the way described below. Within this allocation the CONTRACTOR will provide an initial allocation of 5,339 one day Counter Assistants Course and an initial allocation maximum of 6,377 one and a half day Managers Courses. The CONTRACTOR will also provide an initial allocation of 1,608 one day ECCO+ Counter Assistants courses (as defined in IM/TRN/023) and 4 half-day HFSO Mobile Solution courses (see CCN 632b). The balance of the allocation is made up of specialist courses. These courses are described in both the Training Needs Analysis document and the Training and User Awareness Baseline document. A further breakdown of course types and allocation are detailed below.

Total training breakdown:		
*Managers course	1.5 days	6,377 events
*HFSO Counter Managers Course	3.0 days	59 events
*Assistants course	1.0 day	5,339 events
*ECCO+ Counter Assistants course	1.0 day	1,608 events
*Train the trainer	5.0 days	25 events
*Auditors course	2.0 days	34 events
POCL Helpline	1.5 days	33 events
HFSO Mobile Solution course	0.5 day	4 events
Total offering		13,479 events

Within the proposed allocation, the quantity of Manager's Courses, Assistants Courses and ECCO+ CA Courses will be variable provided the overall total value is not exceeded. Additionally, ICL Pathway have introduced two new courses: an On-site Combined CA/CM and a Combined CA/CM delivered at an ICL Pathway provided venue, these courses may be delivered as part of the total allocation. All other courses will be provided to the limits defined in the above table.

- The proposed total available for Managers is 6,377 courses with an individual value of 1.251 units and a total value of 7,978 units

- The proposed total available for Assistants is 5,339 courses with an individual value of 0.803 units and a total value of 4,288 units

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- The proposed total available for ECCO+ CA is 1,608 courses with an individual value of 0.803 units and a total value of 1.292 units

- ICL Pathway have introduced a new On-Site Combined CA/CM course. This course is delivered at a PONU provided venue (typically in the Outlet), is open to Counter Managers and manual office Counter Assistants, and is limited to 3 delegates per course. This course has a token value of 0.625 units. These courses are redeemable against the total allocation for the five course types of 13,558 units.

- ICL Pathway have introduced a new Combined CA/CM course. This course is delivered at an ICL Pathway provided venue, is to be open to Counter Managers and manual office Counter Assistants, and will be limited to 6 delegates per course. This course has a token value of 1.251 units. These courses are redeemable against the total allocation.

- The total number of Managers, Assistants, ECCO+ CA, On-site CA/CM and Combined CA/CM courses available will be a mix of the five types to a total value of 13,558 units, using the above unit rates.

The proposed changes will incur no additional charges to PONU unless any of the newly defined limits are exceeded.

KEY:

*Managers course = Branch managers, Assistant Branch manager (ABM), Postal Officer Assistant Branch manager (POA), subpostmasters, franchise managers, nominee managers, Head of Retail Networks (HORNs), regional support staff, relief or deputy managers, Outlet managers, POCL User acceptance team, POCL staff who perform stock unit balancing, and nominated POCL staff and officers.

*HFSO Counter Managers course = Regional Network Managers

*Counter Assistants course = Counter Clerks, subpostmaster's assistants and franchise staff

*ECCO+ Counter Assistants course = Postal Officers

*Train the Trainer = POCL and agency trainers

*Auditors course = national and regional audit teams, POCL security and investigators

HFSO Mobile Solution course = HFSOs

POCL Helpline = POCL Helpline staff and managers

On-site CA/CM = Branch managers, Assistant Branch manager (ABM), Postal Officer Assistant Branch manager (POA), subpostmasters, franchise managers, nominee managers, Head of Retail Networks (HORNs), regional support staff, relief or deputy managers, Outlets manager, POCL User acceptance team, POCL staff who perform stock unit balancing and

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nominated POCL staff and officers, Counter Clerks, subpostmaster's assistants and franchise staff

Combined CA/CM = Branch managers, Assistant Branch manager (ABM), Postal Officer Assistant Branch manager (POA), subpostmasters, franchise managers, nominee managers, Head of Retail Networks (HORNs), regional support staff, relief or deputy managers, Outlets manager, POCL User acceptance team, POCL staff who perform stock unit balancing and nominated POCL staff and officers, Counter Clerks, subpostmaster's assistants and franchise staff

In the event that any of the individual limits per course type are exceeded additional training could be provided by agreement between POCL and the Contractor and in accordance with the charges specified in paragraph 8.3 of Schedule A12.

Key measures identified by the Contractor and agreed with POCL will be used to assess the effectiveness of the training programme as a whole. This is documented in the Training Evaluation paper reference SU/TRN/005.

1.2 Further training

In addition to those elements described in 1.1 above, the Contractor shall,:-

(i) in relation to those Outlets to which Rollout is scheduled to take place in or after January, 2000 run 370 half day training events for 4,400 office managers (or such lesser number as POCL may require) in accordance with the specification contained in the document IM/PRO/172, - specification of pre-entry event;

(ii) with effect from 24 September 1999 deploy the processes and procedures set out in the document IM/PRD/066, - Monitoring of Trainer Quality;

(iii) with effect from 27th October, 1999, implement the new P.S.A. process defined in the document entitled Amended Process for Presenting the Performance Standards Assessment (IM/PRD/073).

2. Training Services

2.1 General

Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used for competency tests is based on these training matrices and is defined in the document Training Development and Sign-Off, reference IM/PRO/134. The Contractor will be responsible for training POCL and agency trainers to an acceptable standard. However it will be the responsibility of POCL to ensure quality and competence levels are maintained both by non Contractor Trainers and their delegates.

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The design and development of training events and supporting material are in accordance with the document Training Needs Analysis, reference SU/TRN/001. The training events to be delivered are as specified in the document Training and User Awareness Baseline Document, reference BP/TRN/001. Any Updates to training or additional supporting documentation will be supplied by the Contractor and approved by POCL. This will be provided to those Outlets Rolled Out subsequently as part of national Rollout. Style and layout of training workbooks and supporting materials are documented in the Training and User Awareness Style Guide, reference PATH/PUBS/001.

2.2 Specific Responsibilities

POCL will mandate training for Users i.e. Outlet Managers, Subpostmasters and Counter Assistants or Counter Clerks in accordance with POCL's Policy for Releasing Individuals to Attend Training (CAR response number 531.000.03), document reference BP/PRD/007.

It is not envisaged that "day to day" development of training materials will be required although ongoing quality assessment and maintenance will be undertaken by the Contractor.

The Contractor will ensure that all nominated parties are advised of training activities. Such periods of notification, content thereof and identification of nominated parties shall be POCL's responsibility prior to Contract Award.

Management of training will be the responsibility of the Contractor in liaison with POCL. However Training Invitations, Site selection/preparation and provision of equipment will be the responsibility of the Contractor.

The Contractor will provide management information relating to training as specified in the document Standard Reports and Formats, reference SU/REP/021.

Attendance of regular training review meetings will be the responsibility of the Contractor and will be part of the overall implementation review process. Training is an integrated part of the implementation and roll-out programme therefore it is not envisaged that the training will be isolated from project reviews.

Agreement and sign off by the Contractor will be part of the implementation plan.

Monitoring and review of performance will be jointly undertaken by the Contractor and POCL. This will be via reports specified in the document Standard Reports and Formats, reference SU/REP/021 and, where relevant, appropriate measures will be reported in the Service Review Book which is a Working Document.

Identification of improvements to the training programme will be part of an approved quality process and is part of the Contractor's responsibility.

3. Key Measurables

3.1 Timeliness

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The Contractor shall ensure that training is delivered in accordance with the Project Plan. Such training will be completed no more than ten (10) POCL Core Days (10 working days) before live usage of the Service Infrastructure or the relevant service by delegates. .

3.2 Quality

Course delegates will be requested to complete a questionnaire on the training environment, and the Contractor shall achieve not less than 85% satisfaction. Details of processes and procedures to support ICL Pathway training environments are documented in the Training Venue Administration document reference PATH/PRO/0004.

The Contractor shall not be responsible for adverse comments/user dissatisfaction relating to POCL's premises.

Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The Contractor shall ensure 95% compliance with these matrices as measured through satisfaction questionnaires as defined in ICL Pathway's Training Evaluation paper reference SU/TRN/005.

3.3 Cycle Time

Training should take no longer than a period of 1.5 days for Outlet managers, subpostmasters and 1.0 day for counter assistants or Counter Clerks. This will be a continuous event held during the day and off site. All trainees are to achieve the minimum standard of competence as described in the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used to achieve this is defined in the document Training Development and Sign-Off, reference IM/PRO/134.

Training will be offered to Users, who do not make up the ratio for minimum training compliance, up to individual site acceptance and during the Horizon Field Support Officer visit. This will be offered on an exception basis at the time of training invitations i.e. 4 weeks from installation. Remedial training will also be offered to Users during this period who fail a competency test and who do not make up the ratio for minimum training compliance. Thereafter all outstanding or ongoing training will be the responsibility of POCL. This training will be delivered to either new or existing Outlet Users. Update training or CSR+ training of existing Users will be the responsibility of POCL. CSR+ training for Users at Outlets which have not been Rolled Out will be the responsibility of Pathway as part of the standard national Rollout training programme. Subsequent updates and new product training will be the responsibility of POCL unless the Contractor takes on this responsibility in accordance with the Change Control Procedure.

3.4 Contingency/disaster recovery

Where it is necessary to cancel a training event, POCL will use all reasonable endeavours to notify the Contractor of such cancellation four weeks prior to commencement of the event except for the following course types:

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- Counter Managers
- Counter Assistants
- ECCO+ Counter Assistants

where POCL will use all reasonable endeavours to notify the Contractor of the cancellation two weeks prior to commencement of the event. Notwithstanding this, 48 hours notice of cancellation of a training event must be provided for a minimum of 98% of cases. The same periods of notice will apply if the Contractor cancels a training event with notification of an alternative date.

The Contractor shall not cancel more than 2% of the scheduled courses in accordance with the implementation Roll-Out plan. However if an installation is cancelled due to POCL changes then this is the responsibility of POCL and should not be included in the 2% targeted for the Contractor.

It is the Contractor's responsibility to reschedule alternative training venues if a site becomes inoperative at no extra cost to POCL unless a POCL venue has been agreed and an alternative is required.

3.5 Data Accuracy and integrity

There will be no reduction in system performance as a result of training mode being used. Training mode will be used in the same way as live mode with the exception of "training" stock data.

It is the Contractor's responsibility to ensure there are no factual errors at the time of acceptance and release.

3.6 Competence levels

Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used for competency tests is based on these training matrices and is defined in the document Training Development and Sign-Off, reference IM/PRO/134. A competence test will be carried out at the training event to meet the agreed competence level of 90% for knowledge related areas for transactions of the automated platform.

Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used for competency tests is based on these training matrices and is defined in the document Training Development and Sign-Off, reference IM/PRO/134. The Contractor has the responsibility to meet level 1 of the standard Kirkpatrick model. This will be achieved by the end of course review/appraisal. Level 2 of the standard Kirkpatrick model will be met by the end of course competence test.

4. Communication

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Matrices defining the areas of competency testing for different groups of staff are set out in part 6 of the document POCL Policy on Competency Testing, reference BP/PRD/006. The method used for competency tests is based on these training matrices and is defined in the document Training Development and Sign-Off, reference IM/PRO/134. It is POCL's responsibility to provide written permission from franchise Outlets that assessments can be carried out on their staff.

For POCL staff, subpostmasters and assistants ICL Pathway will notify Users that data will be gathered on individual performance and distributed to POCL for analysis.

It is also POCL's responsibility to certify that managers of franchise, Sub-Post Offices, POCL offices and multiple franchise Outlets, ensure competency of their staff, and to further ensure that their staff apply due diligence and professional standards of care to ICL Pathway systems and services.

POCL Regional reports will be defined by POCL and agreed with the Contractor. Reports will be provided by the Contractor in a timely manner to a nominated contact. These will be distributed within 5 working days for each Region at the end of each month. 24 hour competency failure reports will be supplied to POCL by the Contractor for immediate action by POCL. Response by POCL will be within 24 hours or the next working day. This is detailed in ICL Pathway's Training Scheduling and Minimum Training Compliance document reference IM/REQ/014.

It is the Contractor's responsibility to provide training invitations to a nominated contact within the Outlet 4 weeks prior to the proposed training event. It is also the Contractor's responsibility to confirm attendance in writing at least 1 week prior to the training event. This is detailed in ICL Pathway's Training Scheduling and Minimum Training Compliance document reference IM/REQ/014.

5. Monitoring Training Services

Monitoring of training services will be carried out as part of the implementation programme. In order to support such monitoring, the Contractor will supply training information to POCL as specified in the document Standard Reports and Formats, reference SU/REP/021 or where appropriate in the Service Review Book which is a Working Document.

6. Training Review Meetings

It is the Contractor's responsibility to hold regular management meetings to review progress and performance. These will be held fortnightly unless agreed otherwise.

Regular review meetings regarding implementation should be the responsibility of both the Contractor and POCL.

7. Escalation Procedures

Failures in Service Levels will be the responsibility of the Contractor and POCL's nominated SLA manager to resolve.

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Issues or actions which fail to be rectified will be handled as specified in the document ICL Pathway User Implementation Escalation and Management, reference IM/PRD/056.

8. Change Management

Progressing (through the Change Control Procedure) permanent variations to the agreed Service Levels and/or the training services provided will be managed as part of the implementation programme and will be the responsibility of the Contractor.

Pathway Comment
None.

Reference No 918

Pathway Response

1. Pathway recognises the importance of a partnership approach to communications and we are keen to establish a close working relationship with the POCL Communications team who will be managing this activity.

2. Pathway recognises the strategic need for the partnership to be responsive to events as they occur, and accordingly we recommend that the partnership is empowered to a level agreed between POCL and Pathway.

3. The partnership will need to be comprised of suitable staff from the POCL Communications Team and Pathway.

4. Pathway acknowledges that POCL shall retain the right of veto on all communications, marketing and education for all Customers, POCL employees, Agents and their staff.

Reference No 921

Pathway Response
1. The Pathway solution for OPS will provide a secure timeout facility for counter PC's and Back-Office PC's. This will comprise a user activated timeout which will enable the user to clear the screen and leave the terminal for a short (configurable) period. The user session is reactivated by the user entering their password. Any applications are left active.

2. The clerk will reactivate their session by entering their password.

3. The display presented when the timeout facility is activated will be different to any normal desktop or application screen.

4. Should the clerk who initiated the timeout be unable to re-activate the facility, the following actions may be taken :-

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After a configurable period of time during which there is no active session it will automatically log-out. A journal message will be created indicating this.
. The postmaster may assume responsibility for any uncompleted session, the stock unit or share thereof, by entering his own user name / password.
Once the terminal has logged-out any authorised user may then use that terminal.
All the above events will be written to the journal.

Pathway Comment
None

Reference No 922

Pathway Response
Pathway confirms that the acoustic noise emission of any item of OPS equipment supplied by Pathway will not exceed 60dB(A) when measured at a distance of 1 metre and in accordance with ISO 7779.

Pathway Comment
None

Reference No 925

Pathway Response
None

Pathway Comment
None

Reference No 926

Pathway Response
1. The content of the Roll Out plan is set out in High Level Counter Infrastructure Roll Out Strategy, IM/STR/025. Any changes to this would be made using the Change Control Procedure but POCL shall not unreasonably withhold consent to such changes and shall not in any case withhold consent if so doing would cause Pathway to fail to meet its obligations under the Codified Agreement.

2. Pathway reserve the right to change functionality at its discretion, subject to maintaining contractual obligations and service levels.

3. Operational change procedures shall be defined for the Rollout programme, which should embrace any expected change to service aspects.

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4. Service Level measurement during rollout will be skewed due to instability; suspension of rollout based on failure to meet service levels needs to account for this and POCL should advise which Service Levels will determine rollout suspension prior to contract award.

Pathway Comment
None

Reference No 938

Pathway Response

The Contractor will comply with all its obligations related to data protection specified in Schedule A02.

Reference No 941

Pathway Response
The Roll Out plan is specified in High Level Counter Infrastructure Roll Out Strategy, IM/STR/025.

Pathway will treat Northern Ireland as a discrete area for the purpose of rollout.

Pathway Comment
None

Reference No 945

Pathway Response
None.

Pathway Comment
During the Roll Out we do not wish to and can see no reason why we should provide POCL with the serial numbers of the equipment installed as this is clearly our responsibility. In this respect we could be non-compliant with this part of the requirement. The Contractor is charged with the maintenance and management of all counter equipment supplied under this agreement. Configuration management thereof (including serial numbers) remains the Contractor's responsibility, and the Contractor agrees to make available this information to POCL on a periodic basis.

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Reference No 949

Pathway Response
Pathway confirms that it is able to provide a complete training service if required during Roll Out, but it shall not provide training services for NBS or PIN Pads other than specific obligations in the N Schedules and Schedule G12. For Roll Out, Pathway is providing Counter staff training and support together with POCL Train the Trainer events.

Clarification is needed to understand what is meant by total training which refers to all of POCL's training requirement and not just those required to support the POCL Services under the Codified Agreement.

Pathway is assuming that although the capability to provide total training is sought the option will be exercised through the Change Control Procedure and the additional costs are not included in the Charges as at the date hereof.

Pathway Comment
The requirement as stated is very vague and the scope as stated may be greater than was really intended. Prices are not being included within the Charges as at the date hereof.

Reference No 951

Pathway Response
Pathway will develop and maintain a document describing the POCL Service Architecture.

Pathway confirms that it will, as a minimum, specify:

the major components, provided directly or subcontracted, used in providing the services
the functionality within the major components
the interfaces between the major components
the design service levels of those interfaces
all interfaces with POCL's systems and with other parties

Pathway notes that the audience for this document will be technical staff within POCL and that it should be self contained, although probably referencing other documents to provide further levels of detail. Pathway affirms that the level of detail within the document will be such that it gives a thorough background to the construction of the services and the rationale for the approach, and notes that a length of 200-400 pages is anticipated.

Pathway Comment
None

Reference No 952

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Pathway Response
Pathway will provide the solution as specified in the "Security Functional Specification".
Pathway Comment
None

Reference No 953

Pathway Response
1. The Pathway solution to OPS supports concurrent access to its POCL Services by providing each working post office counter with a PC configuration comprising peripherals and the counter application set required for that outlet.

2. The format of back office reports is specified in 'Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service', SD/DES/005.

3. The Pathway solution for OPS is based on a PC infrastructure configured such that multiple activities within an outlet do not significantly impact on each other. In particular back office processes (e.g. report production) will be operate on a logically consistent set of data which will not be affected by any concurrent counter transactions.

Pathway Comment
None

Reference No 956

Pathway Response
Business supported across the boundary

Pathway confirms that it will provide the OBCS in accordance with the description given in the Service Architecture Design Document.

Pathway understands that its service responsibilities extend to:

transport of ESNCS-created data transfers and associated information (e.g. reference data) from the ESNCS service to its own POCL Service (OBCS) along with all subsequent processing. This to normally include detecting the availability of such data transfers and data on the ESNCS service. Pathway interprets this to mean that Pathway will normally "pull" files to itself

provision of all responses to such data transfers where required (e.g. acknowledgements) along with delivery to the ESNCS service . This is interpreted as including the "pushing" of files back to ESNCS

transport of OBCS-created data transfers and associated information from OBCS to the ESNCS service and notification of their availability. Pathway interprets this to mean that Pathway will normally "push" files from itself

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Pathway confirms that the technical nature and implementation of the ESNCS to OBCS connection is specified in "OBCS Access Service (VME) Release 0100 System Interface Definitions".

Pathway will agree a Service Level Agreement with DSS prior to service commencement.

Pathway Comment
None.

Reference No 960

Pathway Response
1. EPOSS will support zero-value transactions to:

a) record volumes of transactions for clients, such as Royal Mail and Parcel Force
b) record the distribution of various forms
c) record customer enquiries, requests, incomplete services and so on. The precise number and types of events associated with a particular product or service will be dependent on its complexity.

2. EPOSS will support zero-value Automated Payment transactions for recording reversed smart card transactions and other cancelled transactions.

3. EPOSS will support zero-value Order Book receipt, re-direct and issue.

4. EPOSS will record the dispatch of items to storage, retrieval and processing facilities.

5. Automated Payments will be supported as currently.

Zero-value transactions will be designed as services and products in their own right with the normal controls, data flows and interfaces to external systems.

Pathway Comment
The volume of transactions will increase significantly with the increase in the number of "events" and checkpoints which can result in recorded transactions.

Transactions which cannot be substantiated (e.g. cancellation before commit) are open to abuse if they contribute to payment or penalty.

Reference No 971

Pathway Response
The strategy and timetable by which Pathway will provide a single stream of unreconciled data to POCL's AP Clients (unless AP Clients already receive multiple streams from POCL) is described in the AP Client Migration Strategy (IM/STR/018).

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Pathway Comment
None

Reference No 972

Pathway Response
Pathway will develop a Roll Out plan sympathetic with POCL's requirements as follows:

1. The nominated major conurbations to be done first are:
West Midland; Greater Manchester; Merseyside; Leeds/Bradford; Tyne and Wear; Glasgow/Edinburgh; South Wales.

2. The Contractor confirms installation within the M25 area will take place in the second half of the overall timetable.

Pathway Comment
None

Reference No 973

Pathway Response
Pathway acknowledges that, during the lifetime of the contract or at termination, POCL Services supplied by Pathway may need to be replaced or supplemented with services provided by other suppliers. Pathway further acknowledges that it must be technically viable for its POCL Services to be replaced by and/or interface to services from other suppliers. The commercial viability of such replacements or adjuncts is largely a matter for the other supplier and Pathway can offer no warranty on this.

Pathway has agreed in its response to requirement 951 to provide the service architecture document which will contain, inter alia, the functionality of the major components, the interfaces between them, and their design service levels. These interface descriptions shall cover:

a) a definition of the business processes supported across the service boundary, including who originates the processes;
b) all business transactions supported across the service boundary including responses, associated information, any supporting facilities and any constraints including required timings.

Attention is drawn also to requirement 869 (TMS)and the Pathway response. Pathway will specify the internal performance requirements of any sub-system that is retendered. Pathway reserves the right to modify service targets for overall performance at the contract service boundaries in the event that such a subsystem is retendered and/or let to a third party.

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Pathway's costing and charging basis for integration with other suppliers' services will be on strict commercial terms.

Where a service or an upgrade thereof is supplied by another supplier Pathway will require that it conforms to specification as evidenced by a satisfactory test report based on a test specification agreed by Pathway before being put into operational use. In the event of malfunction of Pathway's POCL Services caused by the malfunction of another supplier's service, that service supplier shall be liable for all losses sustained by Pathway including lost revenues and additional operational costs.

Where the content of the work to be done by Pathway as a result of such service replacement makes for practicality, subcontracts from Pathway will be let following competitive tender. Such tenderers shall be at the sole discretion of Pathway and shall not necessarily include prospective replacement or supplementary service providers or POCL.

Pathway Comment
None

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POCL OBLIGATIONS

Ref.	POCL Obligation
463	1. For all testing required by POCL (including Acceptance, Destructive and other) a co-operatively developed Test Plan should be produced with Pathway. This would include the objectives, timetable, key activities, expected outputs and equipment requirements. 2. POCL should allow appropriate Pathway staff reasonable access to any Test activities. 3. POCL should provide Pathway with the results of the Test and, through a review process, discuss the implications of the Test.
464	None
465	Agreement to a specification of equipment livery which Pathway accept as reasonable in terms of its impact on cost, manufacture and long term support.
466	None
467	None
468	None
469	A co-operative role in the final review stages of the documentation
470	A co-operative role in the final review stages of the documentation
471	1. Agreement as to the scope of the Broadcast facility (including message types and expected usage) such that agreed technical and cost boundaries can be defined. 2. Agreement to the development of an electronic information strategy. 3. Co-operation in the design and specification of the data preparation processes as required to support any electronic information service in a post office.
472	Agree the events that must be logged and the data items that must be recorded
473	1. Specify the precise user types and permissions required for post offices. 2. Co-operation and involvement in the specification and implementation of the processes to handle exceptional events (e.g. lost password) 3. Provide details of which POCL Services are required in each post office
474	1. Process for co-operation and involvement with Pathway in agreeing reasonable responsibilities and subsequent actions as required under current and future Health and Safety legislation.
475	Involvement in the Change Control Procedure as may be required for document enhancements
476	1. Agreed involvement and co-operation in the assessment of business functionality and any HCI of new or enhanced application releases through system test and quality reviews 2. Agreement to a change control process which will govern the acceptance of the functionality of new or enhanced POCL Services.
477	Agree a period of notice.
478	1. Agree the method. 2. Agree the data file.
479	1. Specification of the authorised computer systems to which TMS can connect 2. Agree a period of notice.
480	None
481	None
482	None
484	None
485	None
486	POCL is responsible for the agreeing of the documentation review process and adherence to

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Ref.	POCL Obligation
	the agreed timescales for review.
487	None
488	1. POCL shall provide a nominated person at each site who can accept the installation works, in accordance with the roll-out schedule.
489	POCL is responsible for defining a site to where the existing automated equipment will be taken.
490	None
491	POCL will facilitate the planning permission process. A process will be agreed to cover cases where planning permission cannot be agreed.
492	None
493	None
494	None
495	POCL shall be responsible for the initial identification of all outlets to which the OPS shall be installed.
496	None
497	POCL is responsible for identification of all sites and Nominated Person so that Pathway may discuss with them their requirements for each installation.
498	POCL will provide personnel who understand the existing systems and manual processes and can work closely with Pathway to plan how to achieve effective migration.
499	None.
500	POCL will facilitate the planning permission process. A process will be agreed to cover cases where planning permission cannot be agreed.
501	POCL is responsible for the nomination of Horizon Implementation Manager, together with their interface, operational responsibilities in relation to Roll-out.
502	POCL shall provide post masters who can agree the works required to their own site for which they are responsible for, and who will co-operate with the Contractor during the installation activities.
503	POCL shall provide post masters who can agree the works required to their own site for which they are responsible for, and who will co-operate with the Contractor during the installation activities.
504	POCL is responsible for supplying details of existing equipment so that it may be assessed for future utilisation.
507	POCL is responsible for the timely identification of peak times where roll-out to outlets may not be undertaken (e.g. Christmas etc.)
508	POCL will agree a process.
509	POCL to agree with Pathway normal specifications for the siting of the office platform and will provide outlet managers who can agree the positioning of the office platform within each office.
510	None
511	POCL shall provide post masters who can agree the works required to their own site for which they are responsible for, and who will co-operate with the Contractor during the installation activities.
512	POCL will agree a process.
513	None.
514	POCL will agree a process for deciding whether an office goes live.
516	POCL will agree a process.
517	None

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Ref.	POCL Obligation
518	None
519	POCL is responsible for the forecast of probable future potential requirement for additional counter positions.
520	None
521	None
522	None
523	POCL will agree the operation of systems interfaces between Pathway and POCL and their clients.
524	POCL agrees to supply details of the type of call which is presently experienced on their own help desks.
525	POCL will agree a process for ordering adequate consumable materials where appropriate.
526	None
527	None
528	None
529	POCL will agree the behavioural standards.
530	None
531	POCL will agree the competency standards.
532	POCL will make appropriate staff available.
533	None
534	None
536	1. Reasonable advance notice of any change to OPS services that would result in new peripherals being required
537	1. POCL will participate with Pathway in reviews and analysis of those system management events that indicate POCL operational or technical procedures and mechanisms require modification. 2. POCL shall give reasonable notice to changes that are required of the Pathway SMS.
538	None
539	1. POCL shall provide and maintain a specification of all externally provided reference data. 2. POCL shall provide timely notification of any changes to reference data and shall co-operate with Pathway in any service testing that may be required. 3. POCL shall facilitate discussions with any third parties, to produce an agreed interface specification and the associated technical and operational methods to effect valid data transfer.
540	POCL shall use reasonable endeavours to promote the agreed operational procedures for OPS including equipment use, operating conditions, physical and environmental conditions and all relevant Health and safety legislation
541	1. POCL will provide information on forecast changes to business volumes within current or new POCL Services. 2. POCL should adopt a flexible approach to the operational and procedural implications of new or changed POCL Services as advised by Pathway's impact assessment on the current technical architecture and POCL Services. 3. POCL should co-operate with Pathway in any system testing and other activities as may be required in order to assess the impact of changes to business volumes.
542	POCL shall not unreasonably restrict Pathway from changing the support processes or support organisations as applied to current or future POCL Services provided by Pathway, where such changes do not adversely impact Pathway's contracted obligations.

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Ref.	POCL Obligation
543	Provide the specifications applicable to each of the token types. Arrange access to software algorithms and drivers required to implement support for tokens where such algorithms are held under IPR arrangements by POCL or its agents.
544	Agree with Pathway the range of APS service types and the initial client set to be supported by type Provide timely information to Pathway on the characteristics of new service variants by means of the standard parametrised reference data or any extensions thereto required Provide timely information on the token specification and interface requirements for service extension to new clients and facilitate Pathway access to sample tokens and equipment for the purposes of service development, integration and testing
545	1. Agree with Pathway documentation contents prior to its production and to any subsequent changes 2. Facilitate Client participation in the production of the Automated Payments Client specifications
546	Agree with Pathway the counter positions at which the AP service shall be available, and identify in a timely manner proposed extensions to such service availability Co-operate with Pathway in the assessment of future transaction types and volumes.
547	Agree Pathway the definition of the term "robustly" as applied to APS data capture and validation Agree with Pathway the implications of rules defined in the POCL Automated Payments Generic Rules and Token technology specifications.
548	Will discuss with Pathway any modifications to POCL counter and backoffice procedures necessary for the proper operation of the required POCL Services by POCL staff or agents. Will use all reasonable endeavours to ensure that agreed office and counter procedures are followed in their affect upon the operation of the Pathway services
549	Agree with Pathway the implications of rules defined in the POCL Automated Payments Generic Rules and Token technology specifications General obligations on agreeing and following counter procedures
550	POCL shall provide access to token specifications and facilitate access to appropriate software algorithms in a timely manner to facilitate the Pathway development (as in Req Ref 543) and agree the rules defined in the POCL Automated Payments Generic Rules and Token technology specifications (as in Req Ref 547)
551	Agree the scope and details of APS information retrieval services required at the Outlet
552	To agree the implications of rules defined in the POCL Automated Payments Generic Rules and Token technology specifications
553	To agree the implications of rules defined in the POCL Automated Payments Generic Rules and Token technology specifications The AP client specification should include action(s) to be taken in the event of non-availability of the Client system or interface to it
554	POCL shall agree with Pathway the fallback approach.
555	1. Co-operation in agreeing the barcode standards to be used (read or printed) for each service. 2. Co-operation in defining or agreeing the specific cards (magnetic or smart) to be used in each service. 3. Co-operation in agreeing the format of any printed output required for a service. 4. Facilitate the provision of examples of all current magnetic and smart cards/keys and all associated software such that development and testing can proceed.

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Ref.	POCL Obligation
557	1. POCL shall give reasonable notice of any future service requirements that may require additional OPS equipment. 2. POCL shall co-operate with Pathway in any equipment assessment and selection process. 3. POCL shall recompense Pathway for any agreed costs incurred in equipment selection, testing and development should the new or enhanced service not be required 4. POCL shall give a firm statement on the requirement for OCR reading at the counter and the associated technical specification. 5. POCL shall give a firm statement on the requirement for 2-D barcode reading and the associated technical specification.
558	Regular review of expected and actual business volumes for current and future POCL Services.
559	2. POCL will agree a process under change control for adding functionality.
560	1. POCL should not unreasonably prevent Pathway from implementing changes to the OPS equipment for some or all of the outlets where such changes do not impact on Pathway's operational or service delivery commitments. 2. POCL will constructively contribute to any discussions that Pathway may initiate concerning technology refresh.
561	None
691	POCL Shall: 1. Define the denominations of all items receivable/returnable 2. Define the format of the consignment note
692	1. specify the allowable methods of payment for each product/service offered. 2. Indicate which transactions should be committed on completion (independent of the customer session) 3. Identify which services cannot be paid for using EFTPOS (e.g. lottery tickets) 4. Indicate if and when credit cards will be supported 5. Indicate if and when cashback will be supported 6. Describe the mechanism for selection/appointment of Merchant Acquirer
693	1. Agree format of all receipts. 2. indicate which transactions will automatically produce a receipt
694	None
695	POCL Shall: 1. Agree format of all reports.
696	1. None 2. provide example pre-printed stationery 3. provide filled in examples of existing reports
697	If impropriety or negligence should be attributable to POCL, they shall take all reasonable measures to prevent recurrence.
698	1. Agreement of policy. 2. Assessment, regular review of compliance. 3. Incident reporting (joint responsibility dependent on area of responsibility). 4. To take all reasonable steps to prevent privileged Pathway information being released. 5. To take all reasonable steps to protect access to the Pathway System via their dedicated access.
699	1. Agree the content of the audit trail 2. Agree the procedures for identification of POCL staff initiating transactions in the POCL

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Ref.	POCL Obligation
	Service, - POCL Counter Staff for counter transactions
799	Agree with Pathway the procedure for token issue, including any client interfacing requirements and technical specifications
800	None
801	1. identify the specific products and services within each product style 2. Indicate default values (if applicable) for open value products 3. Specify the product groups that comprise denomination components
802	1. identify by denomination the products which are considered to be cash or value stock
803	POCL Shall: 1. Advise whether a semi-complete customer session should be discarded completely or recovered so far as possible.
804	POCL Shall: 1. Identify the cut-offs for the clients which affects reversibility.
805	1. Specify which events are to be recorded in the journal 2. the criteria that may be used for searching for transactions and journal events
806	Specify whether the system will be operated across different time zones
807	POCL Shall: 1. identify the items by denomination that can be transferred between stock units.
808	POCL Shall: 1. identify the items that will be reconciled by individual serial number.
809	None
810	POCL Shall: 1. identify all of the transactions that should allow "rate shopping".
811	1. Provide a complete set of definitions for existing products 2. Provide definitions of new products sufficiently in advance of their live availability requirement
812	Provide the rules regarding the reversibility of each transaction
813	Identify which products can be revalued
814	Agree rules for the sharing of cash and stock declaration work in a team working environment
815	None
816	Specify the scope of an auditor's access to accounting data
817	1. Identify discounts applicable to existing products 2. Specify their discounting strategy and the products affected
818	Agree the format and content of Reference Data transmitted from POCL.
819	POCL Shall: 1. identify the items that comprise the cash account. 2. at any point in time provide calendar information for the previous, the current and the following year subject to agreed process, including agreement on timescale. 3. provide the format of the data in the 2D bar code.
820	POCL Shall:

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Ref.	POCL Obligation
	1. Follow the fallback and recovery procedures agreed with Pathway.
821	POCL Shall: 1. provide timely information describing each local business scheme and identifying the regions, areas and offices affected.
822	1. Agree the format and content of reference data transmitted to and from SAP/ADS 2. Identify the precise products whose movements are controlled by the SAP/ADS
823	None
824	1. Provide full details of rules and tariffs involved in mails services 2. Specify the level of data capture associated with added value mails services
825	POCL Shall: 1. identify the business and data relationships between the "linked" products.
826	1. Advance notice of any requirement of POCL to introduce a new peripheral into OPS. 2. Assist in the development of an impact assessment resulting from any new equipment covering current service provision, Pathway/POCL liabilities, procedural changes and any resultant costs.
827	1. The timely specification, using the Change Control Procedure, of any changes to business functionality required in current Services. This would include the introduction of new authorisation methods. 2. Co-operation and involvement in the specification and outline design of new authorisation methods 3. Support for Pathway in dialogue with third parties
828	5. Agree mechanisms for provision of control data, e.g. Post Office reference details.
829	Information required to support fraud investigation or prosecutions shall be notified before the end of the agreed normal retention period for the relevant information; currently 12 months in the case of physical evidence (e.g. receipts).
830	1. Agree contingency scope and operational responsibilities. 2. Agree procedures for invoking contingency, particularly at Post Office Counter. 3. Agree mechanisms for classifying and reporting when contingency invoked. 4. Agree change control mechanisms for contingency 7. Agree review and problem resolution processes associated with management of contingency invocation
831	POCL shall: 1. Place the POCL Interface Requirements for the BA/POCL System document under joint change control. 2. Discuss the implications of extensions to this functionality. 3. Agree to the specific applications of the ARTS model. 4. Agree the operating timetable for LFS. 5. Agree the operating timetable for TIP. 6. Assist in the agreement of operating timetables for POCL Clients. 7. Assist in the agreement of interfaces for POCL Client Authorisation Requests, Confirmations/Exceptions, Authorisations and Client-specific reference data. 8. None 11. Agree the transition of traffic from APT host to AP client hosts. 12. Agree outlet arrangements for cash account production. 13. None

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Ref.	POCL Obligation
	14. Agree a development strategy and timetable for the LFS application. 15. None 16. None 17. None
832	All faults must be reported to the Horizon System Helpdesk.
833	None
834	POCL Shall: 1. Agree with Pathway an approach to migrating business data for all classes of office during roll-out.
835	None
836	None
837	1. define the format and content of all reports 2. Identify the frequency of production of each report
838	POCL Shall: 1. identify the transactions / products which will support post-event entry of information
839	POCL Shall: 1. identify all items by denomination that make up the retail stock.
869	1. POCL will endeavour to provide timely information on all likely and possible changes to business volumes within current or new POCL Services. 2. New or changed POCL Services will be subject to a change control process. 3. POCL will agree system testing with Pathway.
870	None
871	None
880	Agreement of the technical details of the interface to TIP and its operational characteristics, in terms of timings and transfer schedules, etc. Agreement on any reconciliation mechanisms between POCL, Pathway and, where appropriate, any third parties, for transactional data transferred to TIP.
890	1. POCL shall agree with Pathway the technical details of the interfaces by which committed AP transactions are transferred to POCL and Clients. 2. POCL shall agree with its AP clients and Pathway the operational characteristics of such transfer processes, including time windows and the procedures by which demonstrability of successful transaction transfers shall be measured
891	POCL shall: 1. input reference data at the central and/or post office levels, and such other levels as may be defined, in accordance with operating procedures agreed with Pathway 2. notify Pathway without unreasonable delay of any reconciliation exceptions encountered by POCL systems that are unexplained by POCL 3. ensure that Pathway is notified without unreasonable delay of any reconciliation exceptions encountered by POCL client systems that are unexplained by POCL clients or POCL 4. as appropriate, agree interface integrity controls with Pathway 5. co-operate with Pathway in seeking explanations for reconciliation exceptions

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Ref.	POCL Obligation
	6. take appropriate steps to restore TIP and SAP/ADS in the event of their failure. 9. accumulate and despatch paper receipts to the agreed repository in a timely fashion and in accordance with agreed procedures for grouping, enveloping, despatching and notifying despatch 10. provide information to Pathway for the retrieval of receipts
894	Agree the arrangements for MIS reports and POCL control mechanisms. 1. Agree frequency of Review meetings 2. Agree content of inputs 3. Agree reporting periods 4. Agree arrangements for exception reporting. 5. Agree the procedure for arranging "ad hoc" meetings 6. Agree the list of reports that will be required 7. Specify data requirements to enable resource, network, productivity, cash management and marketing planning 8. Advise changes to MIS requirements under Change Control procedures 9. Specify and agree all required interfaces to Information systems, e.g. TIP. 10. Agree the medium for the reports, i.e./ fax/EIS access/paper/floppy disk/other 11. Customer to provide and agree MIS reporting requirements
895	1. Agree irregular encashment information. 2. POCL must inform Pathway of any exception event occurring in a Post Office
896	POCL shall be jointly responsible for developing a strategy study for the use of electronic communications in the user documentation area.
898	Specify those outlets that require OBCS
899	Agree the service levels and methods of data transfer to/from the DSS ESNCS system.
900	Provision and discussion of the ESNCS interface document referred to above.
901	None
902	Agree OBCS service level Agree process by which OBCS time monitoring will be achieved
903	Provision of DSS interface document Co-operation in the design and operational procedures relating to the DSS ESNCS data interface Agree final definition and enactment of OBCS service levels
905	None
906	None
911	POCL shall: Agree the transition arrangements through a change control procedure. POCL will agree a change control procedure.
912	1. POCL to agree a schedule for the electrical safety test service, commensurate with the post office roll-out timetable. 2. POCL to facilitate and promote the importance of this service and the ongoing safety responsibilities of post office staff. 3. Facilitate the access to equipment and other areas as required during the electrical safety service.

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Ref.	POCL Obligation
913	POCL is responsible for the definition of the documentation agree a process and adherence to the agreed timescales for review. POCL will copy and distribute the paper copies of the manual to the appropriate users.
914	None
915	1. POCL will give details of the staff to be trained.
918	None
921	1. Advance notice of any requirement of POCL to introduce a new peripheral into OPS. 2. Co-operation in the development of an impact assessment resulting from any new equipment covering current service provision, Pathway/POCL liabilities, procedural changes and any resultant costs.
922	None
925	None
926	POCL shall document the process to follow for agreement to roll-out plans, including but not limited to: a) initial release timeframe; b) extent and scope of roll-out plan; c) process of change; d) expected change frequency;
938	None
941	1. Refer to the Project Plan. 2. Agree the frequency and format of the installation acceptance reports.
945	1. POCL shall nominate an Outlet Manager for each site who can agree and authorise the site preparation work to be done and also periods when no modifications can made to the site. POCL shall agree with the Contractor the format and approach of the User Survey and also the parameters for the siting of the OPs, prior to commencement of the Roll-out. 2. POCL shall define and agree with the Contractor the role and interface with the "Regional Liaison Manager".
949	1. To define the scope of the "total POCL Training" that may be required. 2. To identify the numbers, locations and skills profile of the staff to be trained. 3. To identify the training requirements in sufficient time to allow the preparation of training plans and training courses.
951	POCL shall: Give timely notification of changes in the interfaces of their systems and, where possible, those of other parties, where these affect Pathway.
952	None
953	None

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Ref.	POCL Obligation
956	POCL shall:- Negotiate any required practical alternative arrangements for reception and transmission of files. Originate the data transfers for OBCS and provide for reception of transfers from OBCS in accordance with the interface specifications and operational procedures to be agreed with Pathway and POCL. Facilitate access for the installation and maintenance and de-installation of Pathway equipment. Provide Pathway with specifications of OBCS functions, particularly for the known addition for stop and recall receipt acknowledgements. Provide Pathway with reasonable notice of change in such specifications. Aid agreement as principal with Pathway in the event that Pathway and DSS's agents cannot agree on technical and operational process.
960	Identify the precise events that should be recorded as zero-value transactions for all products/services but particularly for APS.
971	POCL shall identify all automated payment clients and their data requirement. POCL shall identify the nominated end of day time for each Post Office, and the assumed end of day for data transmission cut-off. POCL shall agree with the Contractor the strategy for achieving single-stream unreconciled data transmission to its automated payment clients.
972	None.
973	POCL shall:- Give due notification of intention to re-tender any POCL Service. Give due notification of changes in interfaces of their systems and those of alternative or supplementary suppliers. Agree test specifications, schedules and reports for replacement or supplementary POCL Services.

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26 JUN 2002

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SCHEDULE A17- CCNS

Version reference	Reason for change	Frozen/issue date
1.2a	First draft of revised purpose schedule - hence not compared to version 1.0	
1.2b	Removing of CCN441b, CCN473c, CCN490; Amending CCN202, CCN492	
1.2c	Added in 391c (omitted previously) plus null list of CRs to conform to clause drafting	
1.2d	Adding in CCN490 to ensure it is not lost due to clause 810.10.4	
1.2	Baseline copy of 1.2d	8 February 2000
1.3a	Adding those CCNs that form baseline 1.3	
1.3	Baseline copy of 1.3a	30 March 2000
1.4a	Adding those CCNs that form baseline 1.4	
1.4b	Adding in omitted CCNs 618, 629a and 639	
1.4	Baseline copy of 1.4b	25 July 2000
2.0a	Adding those CCNs that form baseline 2.0	
2.0	Baseline of 2.0a	12 January 2001
3.0a	Adding those CCNs that form baseline 3.0	
3.0b	Adding a version 'b' to CCN 733 which had been omitted	
3.0	Baseline copy of 3.0b	19 September 2001
4.0a	Initial draft for Network Banking	
4.0	To Introduce Network banking Service	24 June 2002

1. The CCNs to which Clause 810.10 applies are as follows:

CCN No.	CCN Title
0081d	Electronic Cash Account
0201	Minor Changes to Reference Data
0202b	D104 Weigh Scales Connection
0215b	Approval of SADD V4.0
0228b	Reference Data to AIS version 3.3
0229a	Reference data to Pathway AIS physical filename
0239a	Clarification of Requirement 493
0245c	Definition of "Working Documents"
0259d	CSR Service Levels
0261a	Agreement of AP Client Take On Process-
0262	General Security Contingency plans
0263a	Detailed format for all interfaces
0264	Interface Integrity controls
0268a	Introduction of Safeguard Virtual Private networks
0277b	Pathway to TIP AIS update to version 5.3
0280	Implementation - SLA: Operational Systems Help Desk

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CCN No.	CCN Title
0281	Implementation - SLA: Operational Systems Help Desk
0284	Measurement of Printer Times
0286d	Details of training courses
0288	Modify password expiry parameter in OPS
0289	APS Data Capture
0290a	POCL Interfaces
0292	Benefit Payment Service - OPS Interface: ESNCS to OBCS - (A2A Ref Id: R956-3)
0297	War Pensions Order Books Being Amended
0301	APS Watercard Smart Product
0302	APS Quantum Smart Product
0304a	Flat Panel Display Monitors (Flat Screens)
0310a	Document to define APS Client Baseline
0311c	Counter Hardware Design Specification
0312a	Introduce references to POCL HAPS into Related Agreements
0313a	HAPS Disaster Recovery proposal
0323a	Introduction of Revised CCD and CRD list
0333a	Amend APS Client Baseline
0337	2 or 3 Week Cash Account
0338	APS Acceptance Specification
0340	Training Acceptance Specification
0342	Services Acceptance Specification
0343	MIS Acceptance Specification
0344	OBCS Acceptance Specification
0345	Security Acceptance Specification
0346	SLAs Acceptance Specification
0349	Siting of Infrastructure Elements in an Outlet
0350	AP Client Specifications
0353	Timing of Site Survey
0361	Audit Acceptance Specification
0362	Introduce updated version of OBCS Acceptance Specification
0363	Introduce Frame relay communications
0370	TIP Interface Acceptance Spec V 3.0
0376	British Gas Trading Simple Payment Module Smart Product
0377	Interim Type B Fallback Specification
0378	EPOSS Acceptance Specification
0379	Help Desk Acceptance Specification Version 2.0
0380	Reconciliation Acceptance Specification
0381	Rollout Acceptance Specification
0382	End-to-End Service Acceptance
0383	Schedule C3 Acceptance Specification
0384a	Introduce Installation Strategy, IM/STR/026 as a Contract Controlled Document (A2A Ref ID: R489, R501, S489-1)
0386	Number of Counter Positions (A2A Ref Id:R945-1)

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CCN No.	CCN Title
0387	ESNCS - Restate Full Stops and Recalls List (A2A Ref-Id R956-1)
0388	Policies and Standards Acceptance Specification]
0391c	Introduction of Version 6.0 of Horizon OPS Reports and Receipts
0395	APS Receipt - Client and Scheme Name
0399a	Removal of references to costing in R915
0400	To Introduce the POCL Reference Data Interface A.Spec. as CCD
0405a	Amendment of S507 to Reference CCD for Definition of Xmas Period
0407	OPS Technology Refresh (A2A R560)
0411a	British Gas Trading Simple Payment Module Smart Product
0415	Introduction of 1999/2000 Cash Account
0417	APS Key Management (A2A S952-2)
0419	Appearance of the OPS Equipment(A2A Ref.Id:R465/S465-1)
0420	OPS Interface ESNCS to OBCS (A2A Ref Id: R956-2)
0423a	Audit Trail (A2A R699, S699-1, S699-2, S699-3)
0426	Revision to Office Weekly Suspense Account Report
0427	Client Report Upgrade to 1999/2000 Specification
0428b	Update Contract Controlled List to Introduce New Versions of and Additional Interface Specifications
0429a	Introduce Document "Scheduling Strategy" as a Contract Controlled Document (A2A Ref Id: R517)
0430	EPOSS - General Service Levels (A2A Ref Id: R871)
0431	Acceptance Specifications Consolidated Caveats as a CCD
0432a	Acceptance Incidents Raised by the Contractor
0433b	Introduction to POCL of the Euro
0434b	1999/2000 Horizon Cash Account Format - to Allow ICL Pathway to Update the Horizon Cash Account Report to Comply with Revised Layout and Presentation
0436	Siemens meter security
0437	Extension of training window to 10 days for Branch Offices in Live Trial
0444	Horizon OPS Reports and Receipts (A2As)
0448	Introduce New Version of DSS Client Interface Specification/OBCS
0453	Supply of Consumables. (A2A Ref Id:S466-1)
0458	To Introduce the POCL Infrastructure Acceptance Specification as a Contract Controlled Document
0462	Introduce the Security Functional Specification V4.0 as a CCD
0464b	Introduction of AP Client Migration Strategy as a CCD
0465	Introduce the Security Policy Version 4.0 as a CCD
0466	Full Automation of the Cash Account Type B Feed to Pathway
0470	To Link a POCL Financial Year with a set of reports
0471	Restricted Functionality at Outlets (A2A S473-1)
0472	Change to Requirement 8I8/3
0474	Introduce Document "Removal Of Existing Customers From The Card Scheme" as a Contract Controlled Document

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CCN No.	CCN Title
0475	Live Trial Enhancement 1 - Validate the Office Brought Forward Figure at Migration
0476	Live Trial Enhancement 2 - Stock Declaration Process for Shared Stock Units to become Optional
0477	Live Trial Enhancement 3 - Allow Users to Select and Edit Existing Stock, Stamp and Cash Declarations
0478	Live Trial Enhancement 4 - Reduction of Forced Cash, Stock, Stamp Declarations
0479	Live Trial Enhancement 8 - Remove the Cash Account Snapshot Function
0480	Live Trial Enhancement 7 - Declaration and Stock Adjustment of Linked Products
0481	Live Trial Enhancement 9 - Stamp Declaration by Volume Rather than Value
0482	Live Trial Enhancement 10 - Remove the Office Balance Process
0483	Introduction of the NR2 Processes and Procedures Description (PPD) Documents as Contract Controlled Documents
0484	Introduction of Additional Copy of TMS Layer Following Loss of Single Data Centre
0487b	Increase the 5 day training window to 10 days in ECCO+ offices
0489	Change of POCL Registered Address
0490	Intro. of the Horizon Office Platform Service Style Guide as a CCD
0491	To baseline TIP AIS V5.6
0492a	Introduce Document "ICL Pathway Core Systems Release Contents Description" as a CCD
0494	Introduce Testing Strategy Documents as CCDs (A2A Ref Id: S925-1)
0497	Resolution of A2A PF01-2 (A2A Ref Id: PF01-3)
0499	Benchmark Counter Transaction Times
0500	Reset the Horizon Configurable Parameters: Session Inactivity Timeout and Forced Logout Timeout
0503	Introduce "ICL Pathway Core System Release Plus Contents Description" as a CCD
0507	Resolution of Group 20 A2As
0509	Counter Transaction Performance Measurement Benchmarking
0512a	Operational Business Change - Outlet
0513a	Requirement 890 (APS Reconciliation)
0515	Change to Schedule K03
0516a	Introduce "Pathway to SPM AIS" as a CCD
0519a	HFSO Course Amendment
0520a	HFSO Course Amendment
0521a	HFSO Refresher Course
0522	Change to Bar Code on War Pension Books
0524	To Baseline TIP AIS V5.7
0525	Documentation IPR
0526	Change to LFS Data Retention - Advice Notes
0527a	Introduction of LFS Bar Codes Document

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CCN No.	CCN Title
0528	Introduction of LFS Data Retention Document
0529a	Introduction of the Inventory Item Specification
0530	To introduce LFS User Roles and Access Permissions
0531a	Introduction of LFS AIS
0532	Introduction of LFS Reports and Receipts
0533	Change of ICL Pathway Limited Registered Address
0535	DSS Client Interface Specification / OBCS v 3a
0536a	Support of Millennium Weekend Horizon Operational Health
0538a	Provision of System Busy Warning
0540	Removal of Satellite Office Requirement
0546	Introduce NR2 EPOSS PPD V3.0
0550a	Supplemental Agreement
0560	This Second Supplemental Agreement
0561	This Side Agreement
0562	In support of the Second Supplemental Agreement
413b	Invoice Design (A2A Ref Id: A10)
435d	Introduce "APS Host Operational Reconciliation Reports for CSR+" as a Contract Controlled Document
441b	Introduction of Network Business Support Centre - Live Trial
467b	SADD (A2As)
473c	Facilitate POCL Management of Products using Item Transaction Mode
486c	Business Continuity (A2A S830-1)
490	Introduction of the Horizon Office Platform Service Style Guide (SD/STD/001 V2.0) as a Contract Controlled Document
493a	TMS Facilities A2A (A2A Ref Id: S478-2)
495e	The Production of the Counter Procedures and the Horizon System User Guide at CSR
496c	Reference Data TMS Agent – Receipt of Daily File (A2A Ref Id: PG01-8)
498c	To Introduce New Version of Release Policy as CCD
506a	Reference Data A2As (A2A Ref Id: S539-1, S539-2, S539-3)
508a	Roll Out Strategy
510b	Removal of DSS and BPC Content for Training Documentation
517a	Introduce "User Satisfaction Measurement in Implementation - ICL Pathway Measures" as a CCD (A2A Ref Id: G06-4, G06-5, G06-6, S502-1, S503-1, S511-1)
518b	APS Client Connection Service Description
523a	Introduce Version 5.0 of the Counter Infrastructure Rollout Strategy
539a	Introduce a new version of the Pathway to HAPS Interface Specification as a CCD
543b	Change of RNM Training from CM Course to HFSO Course
545	MiMAN & MiECCO Upgrade to support the migration of matched quantities of Postal Orders and fees
547	Modify LFS Pouch Delivery Receipt

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CCN No.	CCN Title
548	Change to Content of the LFS User Roles and Access Permissions Document
549	Remove Pathway's obligation to evaluate training levels 3&4 of Kirkpatrick
551	Remove Requirement for an Operational Timetable from the LFS Contract Schedule K03.
552	To introduce the LFS Business Contingencies Document as a CCD
553a	Update and Introduce as Contract Controlled, the Benchmark Counter Transaction Time Documents
554a	Introduction of Non-Value Stock Reports
555	Change Schedule 4 Part A of Second Supplementary [sic] Agreement (section 2)
556a	To Introduce Inland Revenue Order Books into OBCS
557b	Changes Resulting from Second Enhancement Workshop on 26th July 1999 (Enhancement Nos. 06, 09, 23, 26, 31, 53, 61)
558b	Amend APS Client Baseline
563b	Introduction Of A New Version Of The Reference Data To Pathway Type A AIS For CSR+
564a	Introduction Of A New Version Of The Reference Data To Pathway Type B Data Application Interface Specification (AIS) For CSR+
565	Rollout Replan Based Upon RNM Clusters And Early Migration Of ECCO Outlets
566a	Change to the Application of the 5 Day Training Window
568d	Alteration to Pricing of Training Courses
570a	Epson Stylus 200 Replacement/POCL Consumables Price Revision
571	Amending the Codified Agreement
572	Amending the Second Supplemental Agreement
573	Girobank PDR Report - Suppression of Reversal Transactions
574	Girobank PDR Report - Reporting of Cash Account Period
575	Girobank PDR Report - Removal of 'By User' Option for Shared Stock Units
576	Introduce New Change Control Note Version and Update Codified Agreement
577	Remove Signature and Date Stamp Features from Stock Unit Balance Snapshot Report
578	Ring-fencing Dummy product Codes Used by Pathway
579	Amend the POCL Regional Helpline Number
580a	Introduce A Cash Account Format For Financial Year 2000/2001
581	TMS Messaging Switching
582	Revision of Formal POCL Contract Point and ICL Pathway Contact Telephone Numbers
583	Introduce Two New Girobank Pdrs
584	Ongoing Supply of POCL Consumables
585	Implementation Of Changes To Allow Rollout To Be Scheduled By RNM Clusters And Also To Ensure Early Migration Of ECCO And Alps Outlets.

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CCN No.	CCN Title
586	Introduction Of The Euro Within Horizon - Request For A Paid Study
587	Introduction of Version 7.0 of Horizon OPS Reports and Receipts - Pathway Horizon Office Platform Service, SD/DES/005
588a	Introduce Document "Pathway to Client Standard Magcard/Barcode Application Interface Specification" as a CCD
589a	A2A S514-1 – OPS Acceptance Criteria
590a	A2A G01-10
591	A2A G01-2
592	A2A G01-3b
593	A2A L02
594	POCL Disaster Recovery Position for the Live Gateway at Huthwaite
595	To Introduce Pathway To Post Office Technical Interface Specification As A CCD
596a	Residual Training A2As (A2A Refs: R531, R915-1, R915-2, R915-4, R915-6, S915-2, S915-4, S915-5, S915-6, S915-7, S915-8, S915-9, S915-12, S915-13, S915-14, S915-15)
597	Resolving Requirements to Agree OBCS File Delivery Time
598a	Relinquish CS/PRO/013 Pathway Customer Service PPD Structure and Review Method as a Contract Controlled Document
599	Introduce CS/PRO/021 NR2 Electronic Point of Sale Service: Processes and Procedures Description version 4.0 as a Contract Controlled Document
600	Third Supplemental Agreement
601b	Introduction of M Stares as Managing Director of ICL Pathway and Authorised Signatory, R Christou as Chairman of ICL Pathway Board and Update of Schedule 14
602a	Create Additional Training Data For CSR+ (Training Counter & Training Mode)
603a	Amendment to the Internal POCL RDS Reference Data Versioning Implementation
604	Remittance of Non-Value Stock in ADC modes (ROAD and RIAD)
606	Correction of Codification Error re. Cash Account
607a	Introduce the LFS Business Process Diagrams as a Contract Controlled Document
608a	Changes to Contract Controlled Documents to allow for 16 Week Training Cycle in the Installation Phase of NRO
609	Establishing a new baseline set of the Codified Agreement
610	APS to Pathway CQO AIS Clarification
611	Modify Pathway to SPM Application Interface Specification
612	Codified Agreement Schedule A12 Price Adjustments for 2000
613	Specify Limits for Collections
614b	LFS Pick List Ordering
615	Amendment To The File Naming Convention Used For Reference Data Files Passed By POCL To Pathway
617	Revision to Schedule A04 – Contract Management

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CCN No.	CCN Title
618	Provide A Proposal To Specify A DR Option For The Generic AP Client Technical Interface
619	Revision to configuration limits
621	Modify Pathway to HAPS Application Interface Specification
622a	Horizon Office platform Service Style Guide (SD/STD/001) Version 3.0 Appendix D - document agreed words
623	Change SPM Token ID From SPM01 To SPM02. Update Associated Documentation.
624	Electronic Link between NBSC and HSH
626	Amend AP Client Baseline
627	Additional Training Data For All POCL Counter Training Office Training Systems
628a	Additional Validation Functionality For Quantum Smart Cards
629a	Relocation of the ICL Pathway to HAPS Gateway Servers
630	Update of PPDs with Changes to Powerhelp Call References
631a	Amendment To Parcel Traffic Input To Reduce Table 12 Errors
632b	Introduce Mobile Configurations
633b	Introduce Satellite Communications Access Method
634	Update To POCL Ordering Points And POCL Deputy For CCN Approval
635	Introduce Document "Pathway to Client Standard Watercard Application Interface Specification" as a CCD
636	Establishing A Baseline Set Of The Codified Agreement As At 31/1/2000
637	Introduce Document "Pathway to Client Type 'G' Magcard/Barcode Application Interface Specification" as a CCD
638a	Introduce Implementation Documents as CCDs (A2A - Side Agreement to Second Supplemental, clause 4)
639	Introduce Automated Payments Client Specification for Hampshire CC as a CCD
641a	Disaster Recovery Provision For The Live Gateway At Huthwaite
642	Introduce Automated Payments Client Specifications for Mid Kent Water as a CCD
643	Introduce Document "Pathway to HAPS Application Interface Specification" version 5.0 as a CCD.
644	Introduce Document "APS Host Operational Reconciliation Reports for CSR+" version 4.0 as a CCD.
645	ICL Pathway Deputy for CCN Approval
646	Change to "A Point Of Sale Supporting The Quantum Application Utilising The POCL Secure DLL" to support legacy functionality.
647	Introduce Document "Pathway To CQO Application Interface Specification" version 4.0 As A CCD
648	Introduce Document "Pathway To SPM Application Specification" Version 2.0 As A CCD
649a	Network Banking Project - Business Analysis Resources (Stage 1)
650a	Project ERA - systems analysis resource

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CCN No.	CCN Title
653	To Change The Hampshire CC AP Client Specification To Include Southampton CC
654	Introduce DVLNI Into The AP Client Migration Programme
655a	Changes to Schedule A12 of the Codified Agreement
656	Barring Of Six Remittance Buttons To Facilitate LFS Reporting To SAPADS
657b	Update SD/STD/001 Horizon OPS Style Guide to include the Counter Shutdown Button
658	To Introduce Document "Generalised API For OPS/TMS" as a CCD
659	Defining Post Office Network/PN in the Codified Agreement
660	Introduce Automated Payments Client Specification for Knowsley BC as a CCD
662	Network Banking Project - proof of concept
664a	Project ERA - Additional Systems Analysis And Design Resources
665	Introduce Automated Payments Client Specification for Yorkshire Electricity as a CCD
666a	LFS Coin Bag Remittance Information (Interim Solution)
668	Introduce Automated Payments Client Specification for Girobank as a CCD
669a	Reports and Receipts (SD/DES/005) Agreed Document-Only Changes To Version 7.0
670	Amendment to Schedule A12 to Support Recurring CCN Costs
671	Schedule, Install and Migrate ECCO+ Outlets on a Wednesday
672	Introduce SD/STD/001 Horizon Office Platform Service Style Guide Version 4.0 as a Contract Controlled Document
674	Add Provision for 7th Delegate at Training Events for Counter Managers, Counter Assistants and Postal Officers
676	Tidy Shutdown
677	A2A S523-1
678	Change to Pathway to HAPS Application Interface
679b	Introduce The Message Broadcast Service
681	Introduce Automated Payments Client Spec. For Oxfordshire Social Services as a CCD
682	Introduce Automated Payments Client Specification for Hampshire County Council incorporating Southampton City Council as a CCD
683	Desktop Usability Enhancements - Bleeps, Halos And Key Names On Buttons
684	Establishing A Baseline Set Of The Codified Agreement As At 30/06/2000
685a	Five or Six Day File Client Delivery
687	Sub-Licence For ICL Pathway To Use The Siemens Secure DLL Software
688	Introduce Automated Payments Client Specification for Scottish and Southern Energy as a CCD
689	Reinstatement of 30 Outlets On The Rodb, Previously Removed By PON

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CCN No.	CCN Title
690	Re-introduce the CCD List as a CCD
691a	Revise The Allocation Of Training Courses In The Codified Agreement
692a	7 Day Per Week LFS Schedules
693	Introduce SD/DES/005 Horizon OPS Reports and Receipts - Pathway Horizon Office Platform Service V8.0 as a Contract Controlled Document
694	Provide Additional OBCS Event Details
696a	Introduce Supplement to Addendum B of ICL Pathway Core System Release Plus Contents Description as a CCD
697b	Client File Batching and Client File Delivery
698	Change to "A Point of Sale Supporting the Quantum Application Utilising the POCL Secure DLL" to Support Legacy Functionality
699	Network Banking Automation Project - Business and Technical Analysis Resources for Preliminary Analysis Phase
700	Removal of Implementation Satisfaction Service Level
701	Amend APS Client Baseline
702a	Change to TIP Application Interface Specification
703	Introduce CSR+ Training Course Specifications as CCDs
704a	Correcting References to the Counter Operations Manual in the Codified Agreement
707	Change Of "Hot" Menu Icon
708	Introduce SD/STD/001 Horizon Office Platform Service Style Guide version 5.0 as a Contract Controlled Document
709	Remove Pension & Allowance Group Numbers 1,2,3 And 8 From OBCS
710	To Produce An Application Interface Specification For British Telecom
711	Change The 'Pathway To Client Type G Magcard/Barcode Application Interface Specification' To Include Record Delimeters
717a	PINICL Resolution Status for Release Authorisation Board for CSR+
718	Identification of "Exception Files" on the TIP Interface
720	Project ERA - Additional Resources (30th October 2000 - 24th November 2000)
714	Provide Business and Technical analysis resources for construction of PON Business Case
724	Introduce Automated Payments Client Specification for Northern Ireland Electricity as a CCD
723	Introduce Service Introduction for LFS as a CCD
706a	Style Guide Amendment To Allow EPOSS "Receipt Printing" Tablet
712	Introduce Automated Payments Client Specification for Welsh Water as a CCD
725	Introduce Automated Payments Client Specification for SWALEC as a CCD
652c	Introduce New Version Of Schedule G06

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CCN No.	CCN Title
716	Make Office Snapshot and Office CAP available to auditors via the reports menu and remove undefined option from event log menu
722	Mechanism To Vary The Mix Of Training Courses Within The Total; Increase The Number Of Counter Assistant Courses And Introduce New On-Site And Combined CA/CM Courses
731	To Introduce On-Site And Combined CA/CM Courses Into The Horizon User Training Programme
713a	Additional OBC Service to connect D104 letter scales to Horizon in agency outlets
732	Introduce Automated Payments Client Specification for Royal and Sun Alliance as a CCD
721	Prevent Training Reschedules And Revise Travelling And Training Window Limits In Order To Reduce The Projected Shortfall In Training Courses
457c	Amendments to Solution Reference Number 914 (A2A Ref. Id: 914-1, S914-1, 914-2, S914-2, S914-3, 914-4, S914-4 & S914-5)
727	Introduction of SADD Version 6.0 as a CCD
734	Project ERA - Additional Design and Consultancy Resources
728	Identification of Stripped Return Files on the TPS/TIP Interface
729	Changes to Exception file Transmission Day Number on the TPS/TIP interface
735	To support the HAPS Data cleansing test activities
736	Introduce Automated Payments Client Specification for Yorkshire Electricity as a CCD
737	Amend APS Client Baseline
705a	Introduce CSR+ PPDs as Contract Controlled Documents
738	Add Invalid Care Allowance and Industrial & Injury Benefit to OBCS
739	Introduce Standard Life as an AP Client with a direct connection to ICL Pathway
740	Talexus Pre CR/CCN Business Analysis
742	Quantum end to End Assurance Testing Cycle (revised timetable)
733b	Introduce Automated Payments Client Specification for DVLNI as a CCD
744	2001/2 Cash Account
743	Establishing A Baseline Set Of The Codified Agreement As AT 31/10/2000
741	Introduce SD/STD/001 Horizon Office Platform Service Style Guide version 6.0 as a CCD
747	Network Banking Project - Pre-Production Version Of The Productised Web Riposte Framework
751	Network Banking - Statement of Requirements
752	Network Banking - Early Infrastructure Work
749	Amend APS Client Baseline
757	Introduce Automated Payments Client Specification for Document Processing Centre as a CCD

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CCN No.	CCN Title
756	Codified Agreement Schedule A12 Price Adjustments for 2001
762	Integrated Planing Workshops
768	Change of Delivery Address for Horizon Invoices
767	GGP Plot - Provision of Technical Resource
753a	Replacement Of Message EPOSS: Hard Message: Stock Unit Rollover
745	Introduce Automated Payments Client Specification for Standard Life as a CCD
755	Network Banking: Work Packages 1, 2, 3, 5, 7a, 7b, 9, 10 and 11
764	GGP Horizon - Network Integration (study)
765	GP Horizon Forms Printing (study)
772	Introduce Automated Payments Client Specification for TVL Legal & Trade as a CCD
769	Alternative Collection Point using APS
778	Addition of Debt Collection Data to the Quantum Product
771	GGP Forms Printing - Development and Integration
761	Changes to Annex 1 of Schedule A12 to the Codified Agreement
782	Initial Activities To Support The Introduction Of Talexus
754c	Network Banking - System Requirements Specification
774	Order Book Control Service Enhancement
760	Introduction of Version 5 of the Audit Trail Functional Specification as a Contract Controlled Document
775	Introduce SD/STD/001 Horizon Office Platform Service Style Guide version 7.0 as a Contract Controlled Document
776	Kiosks and related Software and Services for GGP Pilot Project
	CCNs below added in this version of the schedule
800	Connection to Girobank Disaster Recovery site
807	Changes to AP Client take-on and Token Verification services
829	Network Banking SRS – CCN754c Extension
832	Introduce Quantrill as an APS Client with a Direct Interface to ICL Pathway
830a	Changes To Codified Agreement, Schedule A04, Contract Management
869b	Introduce AON Ltd as an AP Client with a Direct Interface to ICL Pathway
872	Introduce ESP as an APS Client with a Direct Interface to ICL Pathway
895	Introduce National Savings as an APS Client with a Direct Interface to ICL Pathway
903	Amendments To Ordering, Invoicing And Payments
937	Introduce First Rate as an APS Client with a Direct Interface to ICL Pathway
927a	Codified Agreement Schedule A12 Price Adjustments 2002
817	NBS Initial Activities
865a	NBS Initial Activities (2)

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CCN No.	CCN Title
907	Instruction to order and/or procure PIN Pad Equipment
909a	Instruction to Procure Data Centre Equipment
914a	Instruction to Procure NBS Equipment
928b	Retrospective NBS Services CCN
932	Data Centre Equipment Connection Authority.
934	Introduction of New User PIN Pad Installation
933	Pay Pole Design, Tooling and Moulding
936b	Instruction to procure Network Infrastructure Equipment
947	Network Infrastructure Equipment Connection Authority
959	Instruction to order and or procure PIN Pad Components.
967	Instruction to procure an Initial order of Paypoles
970a	Instruction to procure NB Test Equipment and provide related services
971	Instruction to procure a further order of Paypoles
976a	Instruction to procure PIN Pads and Additional Hardware Items
985	Update Post Office Ltd approval Authorities For The Joint Change Control Board

2. There are no Change Requests to which Clause 810.10 applies.

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SCHEDULE B01 - POCL SOFTWARE

Version reference	Reason for change	Frozen/issue date
1.0	Original signed version (reformatted)	28 July 1999
2.0a	Applying CCN687 to Section 2	
2.0b	Making text & format adjustments	
2.0	Baseline copy of 2.0b	12 January 2001
4.0	To Introduce Network Banking Service	21 June 2002

Table 1 below lists the Contractor's Software, Third Party Software and other Software provided for operational use by POCL staff or their agents in accordance with the applicable provisions of Clause 506.

The Software described below is licensed in accordance with Part 5 of the Codified Agreement.

Table 1: Software provided by the Contractor and Third Party Suppliers

Description and Product Name	Scope & purpose	Class
Office Platform Service		
"Windows NT Workstation"	Operating system	Third Party (Microsoft)
"Riposte"	Riposte desktop, messaging and journal systems	Third Party (An Post/Escher)
APS counter Application ("PPF")	Counter Application to support inpayments using magnetic cards, Smart Tokens and bar-coded paper bills.	Contractor
OBCS counter Application ("ESNS+")	Counter Application to support the checking and subsequent management of order books.	Third Party (An Post/Escher)
EPOSS counter and administration application ("PEF")	Counter functions to handle sale and service transactions. Administration function to handle access control and counter and office administration.	Contractor
Auditor access to TMS	To provide auditor access to TMS Journal records	Third Party (An Post/ Escher) & Contractor
LFS Counter Application	Counter application to support inventory management processes and, via EPOSS, the generation of inventory management transactions	Contractor

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WebRiposte	An enhanced version of Riposte providing additional services based upon web-enabled functionality	Right to use granted to POCL in accordance with Clause 506.13
Asset Manager	A component of Riposte providing mechanisms for managing financial information and accessing transaction data	Right to use granted to POCL in accordance with Clause 506.13
Framework	A bespoke set of software components facilitating the development of Horizon financial transactions	Right to use granted to POCL in accordance with Clause 506.13
Hypercom PIN Pad Software	The software used to support the operation of PIN Pads as part of the NBS.	Third Party (Hypercom)

"ESNS+" - Electronic Stop Notice System - Enhanced
"PPF" - Pathway Payment Facility
"PEF" - Pathway EPOS Facility

Table 2 below lists the Software which POCL sub-licences to the Contractor in accordance with Part 5 of the Codified Agreement.

Table 2: Software provided by POCL

Original supplier and Software product name	**Purpose and applicable Service**	**Any additional restrictions on the sub-licence**
Siemens Metering Ltd Name: "SML Software" Version numbers for the SML Software will initially be agreed between the parties and may be amended from time to time in accordance with the Contract Controlled Document "Software Sub-licence for Smart Card Security Software" (ICL Pathway reference AP/DOC/004).	Smart card security capable of being executed on a personal computer operating Windows 95 or Windows NT Automated Payments Service for Quantum and SPM smart cards	There is no right to modify the Software. The specific sub-licencing terms and conditions including any further restrictions are specified in the Contract Controlled Document "Software Sub-licence for Smart Card Security Software" (ICL Pathway reference AP/DOC/004)

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SCHEDULE B02- POCL HARDWARE

Version Reference	Reason for Change	Frozen/issue date
4.0	New Schedule to introduce Network Banking Service	20/06/02
4.0	To Introduce Network Banking service	21/06/02

1. TITLE IN HARDWARE

1.1. Title in all Hardware supplied as part of the POCL Service Infrastructure shall (subject to any provision to the contrary in Schedule G12 in respect of PIN Pads) remain in the Contractor.

1.2. Title in any element of Hardware supplied as an Optional Product or an Additional Product shall vest in POCL upon acceptance thereof and full payment therefor in accordance with the provisions of this Codified Agreement.

1.3 Ownership of PIN Pads shall be as specified in Schedule G12.

2. NOTICE PERIODS FOR EXERCISE OF OPTIONS TO PURCHASE OPTIONAL PRODUCTS

2.1. POCL shall give written notice of any exercise of its options under Clause 206. Delivery shall be made by the Contractor within thirty (30) days after receipt of the relevant notice or such other reasonable period as may be agreed by the parties.

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SCHEDULE B03 - DOCUMENTATION -

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	Applying CCN323a to 2	
1.2	Baseline copy of 1.2a	30 November 1999
4.0	To Introduce Network Banking Service	21 June 2002

PURPOSE

1.1 This Schedule lists the Documentation that is referenced in this Codified Agreement and which the Contractor shall license to POCL under the provisions of Clause 506.1.

1.2 Documentation that is not referenced in this Codified Agreement, but which the Contractor otherwise agrees shall be licensed to POCL under the provisions of Clause 506.1 shall be listed in a separate document which shall be updated as agreed from time to time.

1.3 Not used.

1.4 Any copying in part or modification of the Documentation listed in this Schedule B03 which POCL is allowed to carry out under Clause 506.1 shall be solely to enable the presentation of information to different groups of readers and shall not materially change or misrepresent the meaning of information set out in the Documentation.

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1.5 The table below lists Documentation in respect of which the Contractor grants a licence under Clause 506.1 to use, copy (in whole or part) and modify solely in connection with the POCL Services.

Reference	Document	References
SD/DES/005	Horizon OPS Reports and Receipts – ICL Pathway Horizon Office Platform Service	F01, R764, G01, N01
SD/STD/001	Horizon OPS Style Guide	R475, R473, R898, G01, H01, A02, N01, A15, A16
RS/FSP/001	Security Functional Specification	R698, G01, G10, N01, A16
CR/FSP/004	Service Architecture Design Document	R951, R480, R973, R736, R869, R830, A01, G01
	TMS Technical Documentation, including (without limitation): a) Generalised API for OPS/TMS (TD/STD/004) (excluding its Appendices, to the extent that such use, copying (in whole or in part) and/or mocification thereof is regulated, restricted or prohibited by any confidentiality restrictions in force from time to time between the parties); and b) TMS Architecture Specification TD/ARC/029.	R470, R869
BP/TRN/001	Training and User Awareness Baseline Document	E01, F01, H01, G06
BP/DES/003	Counter Hardware Design Specification	R469, G01, N01, A16
BP/PRO/003	Post Office Site Failure Contingency Procedures	R830, G01
	Release Contents Description for each Release	R476
PA/STR/003	Pathway Release Policy	R476
	Automated Payments Client Specifications	R545, E01
CS/SIP/002	Business Continuity Framework	R830, N09, A16

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RS/POL/002	Pathway Security Policy	R698, N01
SU/DES/003	OBCS Access Service High Level Design	R956
CS/PRP/001	Counter Transaction Performance - Measurement and Benchmarking	E08, F08, H08, N08, A15
CS/PRO/111	TPS Reconciliation and Incident Management	G01
PA/PER/031	Horizon New Service Business Volumes	N01, N02, A15, A16, Clause 412
CS/PRO/128	APS Reconciliation and Incident Management	A16 [Pathway DN: reference to this document has been added to S891 at v4.0j]
CS/SPE/011	Network Banking End to End Reconciliation Reporting	N01, N08, A15, A16
NB/PRO/002	Network Banking Reconciliation and Incident Management	N01, N08, A16
Reference to be allocated	NBS Counter Transaction Times for Release BI3	N08
TD/ARC/030	OPS Architecture Specification	N01, A16
TI/IFS/008	Pathway to Post Office Technical Interface Specification	K01
NB/SDS/008	Network Banking MIS Reports Design	N05, A16
CS/IFS/003	ICL Pathway/POL Interface Agreement for Operational Business Change-Outlet	G01
CR/FSP/006	Audit Trail Functional Specification	N01, A16
VI/STR/001	Testing & Integration Strategy	L2, G01
CS/PRD/058	ICL Pathway/PON Interface Agreement for Operational Business Change-Product	N01, G01, A16
XX/YYY/NNN	NBS Testing Specifications	N02

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XX/YYY/NNN	NBS Testing Plan	N02
NB/IFS/009	Technical Interface Specification - Horizon to NBE	N01, A16
NB/IFS/008	NBE - Horizon Application Interface Specification	N01, A16
	All Process and Procedures Descriptions (PPDS)	R525, R913, R927, N01
NB/PDN/010	PIN Pad Product Specification	G12
NB/SPE/003	Network Banking Counter Dialogue – Activity and Screen Flows	N01
CC/YYY/NNN	CCD mentioned in Schedule N05 paragraph 7.5 covering procedures and criteria associated with closure of the NBE-Horizon interface.	N05
IM/MAN/022	PIN Pad Technical Installation Training Guide	G12

1.6 In the column headed "References" of the above table, entries in the form R# are references to Requirement number # in Schedule A15 and entries in the form S# are references to Solution number # in Schedule A16 (# representing in each case a 3 digit number). Other entries are to Schedules or Clauses of this Codified Agreement.

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SCHEDULE B08 - POCL VALIDATION PROCEDURES

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN377 to 4.2	
1.1	Baselined copy of 1.1a	18 Oct 1999
1.2a	Applying CCN323a to 4.1, 4.5	
1.2	Baseline copy of 1.2a	30 November 1999
4.0a	New Schedule to introduce Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

1. PURPOSE

1.1 The Contractor shall validate all data received at each defined Service Boundary with the POCL Service Environment, to ensure that any such transfer of such data is secure, complete, accurate and robust.

1.2 POCL shall specify validation characteristics of all data delivered to the Contractor at each Service Boundary. The Contractor shall not unreasonably withhold agreement to all such validation characteristics.

2. SERVICE BOUNDARIES

The Service Boundaries of relevance are at the interface between POCL Infrastructure Services and:

- TIP;
- Reference Data;
- SAPADS;
- POCL Clients;
- ESNCS;

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- the HAPS migration specification;
- the point of data entry;
- NBE.

3. VALIDATION PROCEDURES

3.1 The Contractor shall validate all data passed to its domain from POCL or any POCL Client at each Service boundary in line with the validation specifications detailed in paragraph 4 below.

3.2 Other than for data received at the NBE Service Boundary, all such validation shall ensure that each data item is validated by criteria including as appropriate, but not limited to:

- by type (eg date);
- by reference to existing data (eg an existing Customer);
- with reference to whether the field is optional or mandatory;
- by range (eg maximum and minimum values);
- cross field validation, where the value of one field is dependant on the value of data in another field including without limitation any information regarding the version of the interchange being undertaken.

3.3 All files shall be validated to ensure that they conform to the correct structure ensuring that they contain, where appropriate:

- the correct file header;
- the correct file structure;
- the correct number of records.

3.4 All files and records shall, where appropriate, be validated to ensure that they are processed in the correct sequence.

4. VALIDATION SPECIFICATIONS

4.1 The following documents specify the validation that shall be carried out by the Contractor on data received at the TIP to POCL Infrastructure Services Service boundary:

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- Post Office to Pathway Technical Interface Specification;
- Pathway to TIP Application Interface Specification.

The documents in Schedule G01 paragraph 5.3.2.2 detail the validation that shall be carried out by the Contractor on data received at the Reference Data to POCL Infrastructure Services Service boundary.

The following documents detail the validation that shall be carried out by the Contractor on data received at the LFS/SAPADS Service Boundary:

- LFS to SAPADS and SAPADS to LFS Application Interface Specification.
- Pathway to Client Generic Technical Interface.

4.4 The following documents detail the validation that shall be carried out by the Contractor on data received at the POCL Client to POCL Infrastructure Services Service Boundary:

- the appropriate POCL Client Technical Interface Specification;
- the appropriate POCL Client Application Interface Specification.

4.5 The following documents detail the validation that shall be carried out by the Contractor on data received at the ESNCS Service Boundary to the Contractor's OBCS service:

- OBCS Access Service High Level Design
- OBCS Business Process Rules;
- DSS Client Interface Specification - OBCS.

4.6 The following documents detail the validation that shall be carried out by the Contractor on data received at HAPS Service Boundary to the Contractor APS service:

- the HAPS migration specification.

4.7 The validation that shall be carried out by the Contractor on data at the manual data entry to POCL Infrastructure Services Service Boundary shall be as set out in Schedules E01, F01, G01, H01, K01 and N01 as appropriate.

4.8 The following documents detail the validation that shall be carried out by the Contractor on data received at the NBE Service Boundary to the Contractor's NBS service :

- NBE/Horizon Technical Interface Specification;

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- NBE/Horizon Application Interface Specification.

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SCHEDULE B11 – ESCHER UPGRADE SOFTWARE

Version Reference	Reason for Change	Frozen/issue date
4.0	To Introduce Network Banking Service	26/06/02

1. GENERAL

1.1 This Schedule specifies the terms on which the Escher Upgrade Software may be used by POCL and Escher Software Users in connection with the POCL Services.

1.2 For the purposes of this Schedule B11:

1.2.1 **"Escher"** means Escher Group Ltd, having its principal office at 101 Main Street, Cambridge, Mass. 02142;

1.2.2 **"Escher Upgrade Software"** means WebRiposte, Asset Manager and Framework and references to the "software" in this Schedule B11 shall, unless the context clearly indicates otherwise, be a reference to the Escher Upgrade Software;

1.2.3 **"Escher Software User"** means:

(a) any person authorised by POCL to use the POCL Services in a franchise post office or sub-post office, including without limitation sub-post masters on a non-franchise contract and franchisees of post offices or sub post offices (together with their employees); and

(b) any employee of POCL or employee of Consignia plc or its subsidiaries on behalf of POCL involved in the development, operation, receipt and/or management of the POCL Services; and

1.2.4 **"Existing Licences"** means the licensing agreements between the Contractor and Escher dated 20th December 2000 and 8th May 2001 relating to the Escher Upgrade Software together with variation agreements dated 18th April 2002 and 26 June 2002 for each of these licence agreements.

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2. TERMS OF USE

2.1 The Contractor grants to POCL and to all Escher Software Users from time to time (together with POCL the "Licensed Persons") a right to use and (for the purposes only of loading, execution, storage, transmission or display) copy the Escher Upgrade Software to the extent necessary for the Licensed Persons to receive the POCL Services in connection with the system known as "Horizon" currently in use by POCL and as upgraded by the Escher Upgrade Software.

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2.2 The Contractor warrants that it has the right to grant the rights stated to be granted by it under this Schedule B11 and that it has the right to make such back-up copies of the Escher Upgrade Software as are reasonably necessary for the provision of the POCL Services.

2.3 The rights granted by paragraph 2.1 of this Schedule B11 are subject to the following conditions:

2.3.1 POCL shall notify the Contractor of all actual or threatened breaches of Escher's trade secret, patent, copyright, and other ownership rights in the Escher Upgrade Software of which it becomes aware and shall use reasonable endeavours to provide the Contractor with assistance as may be reasonably requested by Contractor in relation to the prevention and/or challenge of such actual or threatened breaches.

2.3.2 Notwithstanding paragraph 2.3.1 of this Schedule B11, POCL may at its absolute discretion notify Escher directly of such actual or threatened breach in addition to notifying the Contractor.

2.3.3. All use of the Escher Upgrade Software by POCL and/or Escher Software Users shall take place within the United Kingdom or its territories.

2.3.4 On termination of this Codified Agreement, the Contractor shall at POCL's request procure the direct licence of the Escher Upgrade Software to either POCL or a replacement for the Contractor appointed by POCL (as POCL requests) at no charge and on substantially the same terms as the Existing Licences. The obligations of the Contractor and the rights of POCL under this paragraph 2.3.4 shall survive termination of this Codified Agreement.

2.3.5 POCL's rights granted by the Contractor by paragraph 2.1 of this Schedule B11 shall terminate upon the grant of a direct licence in accordance with paragraph 2.3.4 of this Schedule B11.

2.3.6 Save to the extent required under English law, the rights granted by paragraph 2.1 of this Schedule B11 shall not be construed so as to allow POCL to modify, reverse engineer, disassemble or reverse compile the Escher Upgrade Software or take any other action to disclose Escher's source code. To the extent that POCL is permitted by law to take such action for interoperability or otherwise, such reverse engineering or related activity shall be limited to the minimum amount required and may not be undertaken unless the Contractor has refused or is unable to make or procure such adaptations after POCL requests that it do so. The Contractor shall be entitled, subject to the prior approval of POCL to charge POCL its reasonable costs for making and/or procuring such adaptations as the Contractor makes or procures and POCL shall pay such charges.

3. INTELLECTUAL PROPERTY RIGHTS

POCL and the Contractor each agree that Escher's copyright legend shall be displayed on all software and associated documentation and media under their respective control

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in a manner consistent with the CCD entitled *"Horizon OPS Style Guide"*, reference SD/STD/001.

4. CONFIDENTIALITY

4.1 POCL agrees that any information disclosed to it in connection with the Escher Upgrade Software which is designated by the Contractor as "Escher Confidential Information" shall be kept in strictest confidence and not disclosed to any party except as permitted under this Schedule B11.

4.2 Escher Confidential Information shall not comprise Confidential Information for the purposes of this Codified Agreement and, accordingly, the provisions of Clause 607 shall not apply to Escher Confidential Information.

4.3 POCL shall:

4.3.1 take all reasonable precautions to protect the confidentiality of Escher Confidential Information;

4.3.2 not duplicate or reproduce Escher Confidential Information except as necessary for the purposes of this Codified Agreement; and

4.3.3 upon termination of the Existing Licences, immediately return all documents and other materials which contain or relate to Escher Confidential Information.

4.4 The non-disclosure and confidentiality provisions contained in this Schedule B11 will survive the termination of any or all of its other provisions but shall expire 20 years after the expiry or termination of this Codified Agreement. POCL acknowledges and agrees that the Contractor and any third party are, in addition to other remedies, entitled to seek an injunction to prevent POCL from disclosing Escher Confidential Information in breach of this Schedule B11.

4.5 POCL may with the Contractor's written consent disclose Escher Confidential Information to third parties. If the Contractor agrees to allow POCL to disclose Escher Confidential Information to a third party, prior to making any such disclosure, POCL shall first obtain such third party's written agreement to comply with all non-disclosure and confidentiality terms herein.

4.6 POCL shall keep a record of all disclosures by it of Escher Confidential Information to third parties including the names of the persons to whom Confidential Information was disclosed by POCL and a description of the Escher Confidential Information disclosed.

4.7 POCL may disclose Escher Confidential Information:

4.7.1 if and to the extent required by law, regulation or by order of a court of competent jurisdiction provided, however, that POCL shall in each case notify the Contractor in advance of such disclosure;

4.7.2 to its professional advisers for the purposes of audit or receiving professional advice;

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4.7.3 to employees and staff of Consignia to the extent that such disclosure is necessary for such employees or staff to perform functions relating to the development, operation, receipt or management of the POCL Services;

4.7.4 where such information was already in the public domain at the time it was disclosed or otherwise received by the other party;

4.7.5 where such information becomes part of the public domain after disclosure by means other than breach of the confidentiality obligations contained in this Schedule B11; or

4.7.6 where such information came into a party's possession lawfully from a third party that was, itself, lawfully in possession of that information and entitled to distribute it.

4.8 Where Escher Confidential Information is disclosed under paragraphs 4.7.2 or 4.7.3 of this Schedule B11, POCL shall procure that the third parties referred to in those paragraphs shall not disclose that Escher Confidential Information without the prior written consent of the Contractor.

4.9 The Existing Licences and their contents are deemed Escher Confidential Information and, subject to paragraph 4.7 of this Schedule B11, POCL may not disclose the Existing Licences to a third party without the express written consent of the Contractor, except that POCL may disclose those elements of the Existing Licences which relate to the use of the Escher Upgrade Software to the operator replacing the Contractor in the event a direct licence is to be granted to that replacement operator under paragraph 2.3.4 of this Schedule B11 provided that such operator has, in advance of such disclosure, entered into substantially equivalent confidentiality provisions with POL as are set out in this Schedule B11.

4.10 Escher Upgrade Software related documentation, defect reports, and all other non-public information related to the Escher Upgrade Software, are and shall be deemed Escher Confidential Information.

5. BREACH

5.1 If either party believes the other to be in breach of any obligation imposed by this Schedule B11, the non-breaching party shall provide written notice of such breach to the other.

5.2 Upon receipt of such notice, if such breach exists, the recipient shall have twenty (20) days to remedy such breach or provide assurances in a form reasonably acceptable to the non-breaching party that the breach will be corrected within such longer period as the non-breaching party may specify.

6. TERMINATION

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6.1 If a breach by POCL of any obligation imposed by this Schedule B11 has not within the twenty (20) day period provided under paragraph 5.2 of this Schedule B11 been remedied or assurances, in a form reasonably acceptable to the Contractor, provided to the Contractor that the breach will be corrected within such longer period as the Contractor may specify the Contractor may by notice in writing to POCL terminate the rights granted by paragraph 2.1 of this Schedule B11 and the Contractor shall be relieved of its obligations under paragraph 2.3.4 of this Schedule B11.

6.2 Upon termination under paragraph 6.1 of this Schedule B11 of the rights granted to POCL by paragraph 2.1 of this Schedule B11, POCL shall cease to use the Escher Upgrade Software and shall, as directed by the Contractor, either return or destroy all copies of such software.

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SCHEDULE F01- EPOSS SERVICE DEFINITION

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	Applying CCN323a to 4.3.19; CCN497 to 4.3.5	
1.2	Baseline copy of 1.2a	30 Nov 1999
1.3a	Applying CCN467b to 4.4.2; 473c to add new 4.3.4 (and increment following paragraphs 4.3.4 through to 4.3.22 to become 4.3.5 through to 4.3.23)	23 Dec 1999
1.3	Baseline copy of 1.3a	30 March 2000
4.0e	New Schedule introducing Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

1. INTRODUCTION

1.1. This schedule details all the requirements relating to the EPOS Service (EPOSS) which the Contractor shall provide.

1.2. The Contractor shall be responsible for all the resources, facilities, procedures and systems necessary to deliver the POCL Service specified in this Schedule.

2. SCOPE

2.1. EPOSS shall provide functions across four service boundaries:

(a) to the Counter Clerk in support of direct Customer service, including a till function and in support of POCL Services delivered over the POCL Service Infrastructure;

(b) to the Counter Clerk and other Users within Outlets in support of EPOSS Administration (including reporting functionality);

(c) transfer of data to Client and POCL systems and services outside the POCL Service Infrastructure;

(d) for management information.

2.2. [Not used]

2.3. The Contractor shall provide EPOSS in every Outlet for all the hours that each is open for business. **[From B03]**

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SCHEDULE F01- EPOSS SERVICE DEFINITION

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	Applying CCN323a to 4.3.19; CCN497 to 4.3.5	
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(d) for management information.

2.2. [Not used]

2.3. The Contractor shall provide EPOSS in every Outlet for all the hours that each is open for business. **[From B03]**

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3. CONSTRAINTS

General

3.1. EPOSS shall be provided solely through the medium of the POCL Infrastructure Services. **[Implied by 835]**

3.2. Where date and time data are required, EPOSS shall use that set within the POCL Service Infrastructure. **[R806]**

3.3. EPOSS shall have the facility to accept data, via the POCL Infrastructure Services, from a variety of media including, but not limited to, Tokens, keyboard, electronic scales, and bar codes. EPOSS shall allow additional functionality to accept data from other agreed peripheral devices to be added. **[R825]**

3.4. EPOSS shall be event driven so that data capture and the recording of information relating to POCL Services using the POCL Infrastructure Services is dynamic. EPOSS shall be flexible enough to support the introduction of new POCL Services using the POCL Infrastructure Services in an integrated manner and thereby ensure that any new POCL Product is event driven and that EPOSS is automatically updated. **[R825]**

3.5. EPOSS shall be flexible enough to support the introduction of new POCL Services for Clients in an integrated manner and ensure that any new POCL Product can be added, and that EPOSS is automatically updated. **[R811]**

3.6. EPOSS shall ensure that all Transaction and process data captured through EPOSS are available to any POCL Service delivered through the medium of OPS and specified by POCL as requiring access to those data. **[R823]**

3.7. Access to EPOSS shall be under the control of the User access facilities of the OPS and shall allow specific EPOSS functions to be restricted to authorised Users. Each function within EPOSS shall have an associated User authority level into which Users can be assigned by the Outlet manager. **[R816, 820]**

3.8. EPOSS shall be a robust POCL Service, including features to:

(a) check internal consistency, reporting errors, warning of non critical errors and preventing critical errors;

(b) refuse deletions if there is dependent business data which would lead to inconsistency of data within the POCL Service Infrastructure;

(c) make Reference Data available at the counter terminals;

(d) check Reference Data consistency and report exceptions. **[R818]**

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4. SERVICE BOUNDARY TRANSACTIONS

4.1. General

4.1.1. EPOSS shall provide reconciliation and accounting facilities for all Transactions using EPOSS.

4.2. Counter Service

4.2.1. EPOSS shall include the ability to subject Transaction data to validation by format or value, or against Reference Data. **[R810]**

4.2.2. For each Transaction processed at a Counter Position through the POCL Service Infrastructure EPOSS shall capture the following information where such information is available: **[R836]**

(a) value of each Transaction;

(b) a unique code for each POCL Product across all Clients;

(c) source (i.e. Outlet, User and Till identification);

(d) Client reference and Client scheme or product reference for each Transaction;

(e) Customer identification and details (e.g. for Transactions involving cheques, passports, motor tax discs);

(f) Method of Payment;

(g) date and time of the Transaction;

and update a record of the total volume of Transactions.

4.2.3. EPOSS shall maintain a Transaction log for any Balancing Period in the POCL Outlet Accounting Period in such a way as to allow the User to refer back to a previous Transaction, to identify a unique Transaction identifier for the purposes of Reversal or for the resolution of enquiries. **[R804]**

4.2.4. For the avoidance of doubt, EPOSS shall, subject to POCL business and accounting rules, allow zero-value Transactions. Such Transactions shall be recorded in logs and audit trails, and reported against in the same way as Transactions with a value. **[R960]**

Till function

4.2.5. EPOSS shall record all Transactions between a Customer and a Counter Clerk, grouping contiguous Transactions for one Customer into a Customer Session. **[R825]**

4.2.6. Before a Counter Clerk is allowed to record Customer Transactions on EPOSS, EPOSS shall require that the Counter Clerk has validly connected to a Stock Unit,

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either exclusively or shared with other Counter Clerks, against which his Transactions are to operate. [FS 4.1.3.1.2.1]

Customer Session

4.2.7. Within a Customer Session EPOSS shall allow:

(a) Transactions, including amendment of Transactions not yet committed;

(b) Reversals;

Reversals may be entered by a User other than the User who recorded the original Transaction, but Reversals of a Reversal are not allowed.**[R812]**

(c) Void Transactions; and

(d) Refunds relating to previous Transactions; **[R800]**

subject to Client and POCL business and accounting rules as notified by POCL and agreed by the parties from time to time. **[R825, R810]**

4.2.8. EPOSS shall record each Transaction and each Customer Session such that they can be uniquely identified within the Balancing Period in which they occurred. **[R800]**

4.2.9. EPOSS shall provide a facility for Counter Clerks to suspend a Customer Session and start a second session, and to swap between the two sessions until one of them has been completed. . While a Banking Transaction is in progress this facility will be inhibited.**[R825]**

4.2.10. Within a Customer Session, EPOSS shall maintain the record of Transactions performed, the current balance, accounting sense (i.e. pay-in or pay-out) and settlement details. **[R809, R825]**

4.2.11. EPOSS shall provide a cash tendered facility to calculate change due to the Customer. Use of this feature shall be at the discretion of the User and not forced by EPOSS. **[R800]**

Receipts [R693]

4.2.12. EPOSS shall allow production of:

(a) a non VAT receipt for Customers to support a specific POCL Service e.g. APS;

(b) a VAT receipt for Customers at the end of each Customer Session, but before the next Transaction is entered;

(c) receipts in support of other POCL Services; and

(d) additional (duplicate) receipts and they shall be marked as such.

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4.2.13. For appropriate Transactions (as be specified by POCL) EPOSS shall automatically generate a receipt for Customers and a copy shall be retained in the Outlet to allow recovery or problem resolution. **[R832d]**

4.2.14. The Contractor shall agree the format of all styles of receipts with POCL before they are used operationally.

4.2.15. All receipts produced by EPOSS shall meet the requirements of the Welsh Language Act.

Product/Price Look-Up

4.2.16. EPOSS shall determine the price, where applicable, for each POCL Product involved in a Transaction during a Customer Session. The price shall be determined by use of Reference Data, and, where applicable, from data made available by the OPS (including, but not limited to, weight information from electronic scales connected to the OPS). EPOSS shall determine the price type as follows:

(a) fixed price - where the price is held in Reference Data; or

(b) variable price (open) - where the User enters the actual price. If the valid range excludes zero the User is forced to enter a non zero price; or

(c) variable price (default) - where the default price is non zero. The User can either accept this price or overtype to change it within the valid range. **[R824, R801]**

4.2.17. EPOSS shall allow the manual input of weight values where scales are not linked. **[R825]**

4.2.18. EPOSS shall provide the facility for the Counter Clerk to determine the unit quantity of a given Stock Item available for a tendered monetary amount. **[R810]**

4.2.19. EPOSS shall provide a facility to Rate Shop. **[R810]**

4.2.20. EPOSS shall allow discounting for relevant POCL Products. A list of discountable POCL Products shall be maintained in Reference Data supplied by POCL. EPOSS shall allow the Counter Clerk to enter the discount by either a percentage or a value for the last Transaction or for all discountable POCL Product Transactions in the Customer Session. **[R817]**

Methods Of Payment

4.2.21. EPOSS shall provide the facility to record, against each Customer Transaction, the Method(s) Of Payment used, and the amounts settled by each Method Of Payment. This shall include the ability to accept separate, or multiple, Methods Of Payment for the same Transaction. **[R825, R692]**

4.2.22. EPOSS shall allow the implementation of new types of Methods of Payment, including without limitation debit cards and EFTPOS. **[R825, R692]**

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4.2.23. EPOSS shall be capable of validating Methods Of Payment against business rules for individual Transactions. **[FS 4.1.3.1.5]**

Retail functionality

4.2.24. EPOSS shall provide, at a date to be agreed between the Parties, the point of sale retail functionality in use in PostShops. This includes, but is not restricted to: **[R839]**

(a) Till functionality;

(b) discounting;

(c) coupon management;

(d) multibuys;

(e) promotions;

(f) marketing;

(g) reporting

4.3. EPOSS Administration

Reference data [R818]

4.3.1. EPOSS shall provide a facility to update Reference Data files with Reference Data supplied from the POCL Reference Data System. It shall be possible for a date and time stamp to be applied to Reference Data identifying when the change is to be activated, to facilitate timely price changing.

4.3.2. When an update to Reference Data changing Item Retail Price is made, each affected Outlet shall be warned by EPOSS at the start of the next POCL Core Day that a change has been made.

4.3.3. Reference Data shall also define the availability of specific POCL Products in each Outlet. Such availability shall be controlled centrally, and an Outlet shall not be able to modify such data. **[R821/FS 4.1.3.1.1]**

4.3.4. EPOSS shall support, through POCL Reference Data, the introduction and maintenance of a POCL Product in line with agreed Client requirements and POCL accounting practices. This will be achieved by the Contractor's Reference Data system distributing the Item Transaction Modes (ITMs) to the Outlets. EPOSS shall provide the following functionality for all Products, in accordance with business rules specified in the Working Document 'Reference Data Business Rules and Values':

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- A test for a current ITM at the start of each Transaction undertaken at the Outlet. If one exists, the Transaction will continue. If one is not found, the Transaction will be aborted, and the Counter Clerk will be informed of this. The Counter Clerk may start another Transaction.

- A test for a current 'stock adjust negative' transaction mode for all POCL Products, which are Value Stock items, at an appropriate trigger point, such as, start up or balancing. If one exists, no action is taken. If one does not exist for a Value Stock item, the residual value in any Stock Unit for that Product will be posted to discrepancy. An agreed message showing this action will be output to the system User. [R818/S818]

Stock units

4.3.5. EPOSS shall provide each Outlet with the flexibility to set Stock Unit(s) according to the local working practice requirement. Each Stock Unit can in turn be tied to a User or a group of Users.**[R695]**

4.3.6. EPOSS shall ensure that Stock Unit options and assignments chosen for an Outlet can be changed as and when required, subject to system access controls associated with human roles:**[R695]**

- passwords
- PINs
- inactivity periods

and with minimal impact to the Users.

4.3.7. EPOSS shall provide a mechanism to allow only authorised Users access to the data and processing associated with each Stock Unit. **[R695]**

4.3.8. EPOSS shall allow each Stock Unit to be Balanced individually. The Stock Unit may be Balanced more than once within a POCL Outlet Accounting Period. Cash and Stock Items shall be entered by denomination or Stock Item level. At the end of the POCL Outlet Accounting Period an Outlet Balance is struck with the details provided by the Balanced Stock Units. **[R695]**

Stock And Money Management

4.3.9. For each Stock Unit, EPOSS shall maintain the current Stock record for Value Stock Stock Items and Methods of Payment to reflect the Transactions completed. **[R802]**

4.3.10. EPOSS shall allow the movements of Value Stock Stock Items and Methods of Payment into and out of Stock Units within the same Outlet to be recorded. The data recording a movement shall be entered in a Transaction Session similar to a Customer Session except that the session total comes to the Transfer total rather than to zero. However, EPOSS shall adjust overall item Stock levels when the data entry session is complete so that the "balance" of the Stock Unit is maintained. Each movement is entered to the current Balancing Period for the Stock Unit. **[R807]**

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4.3.11. EPOSS shall provide a facility to reconcile Non-value Stock Stock Items with unique serial numbers. Reconciliation shall be by volume and by Stock Unit as:

(a) number on hand at the start of the POCL Outlet Accounting Period;

(b) number received;

(c) number on hand at close of POCL Outlet Accounting Period;

(d) number issued/spoilt/returned. **[R808]**

4.3.12. EPOSS shall provide a Suspense Account facility where items that cannot be cleared operationally during one POCL Outlet Accounting Period can be identified and carried forward to the next. **[R808]** Authorised Users shall be able to identify items posted to the Suspense Account. **[R832q]**

4.3.13. EPOSS shall provide a facility to re-value fixed prices, including the efficient revaluation of multiple Value Stock Stock Items of the same generic type. The revaluation process must automatically make any necessary accounting adjustments to maintain the Stock Unit balance. **[R813]**

4.3.14. EPOSS shall provide the facility to manage and report on the movement of Cash or Stock Items, either at Stock Unit level within each Outlet, or at the level of transfers to and from other locations external to each Outlet. **[FS 4.1.3.3.2.6 - 4.1.3.3.2.8]**

4.3.15. EPOSS shall provide a facility to adjust cash and Stock levels to reflect the actual levels on hand when required, including provision for any necessary accounting adjustments. **[R695]**

4.3.16. EPOSS shall provide a function to record the value of cash held in the Stock Unit by denomination: **[R814]**

(a) as part of the Cash Flow Reporting process;

(b) as part of the Stock Unit Balancing process.

4.3.17. The EPOSS shall allow entry by cash value for each denomination and total value declared (including zero value entries). The EPOSS maintained Stock value for the cash Method of Payment shall not be altered during the process. The User shall be advised of any discrepancy to warn of potential errors and (in Balancing) the implied balancing loss or gain. Where no activity has occurred to change the last known cash position, EPOSS shall allow the last known declaration to be carried forward for Cash Flow reporting purposes. **[R814]**

Dormant stock units

4.3.18. EPOSS shall allow a facility to bring unused Stock Units (that is those for which no activity has taken place since their most recent final Balance), and their Stock Unit information, forward into the next POCL Outlet Accounting Period. This facility may be used at any time, under the control of the Outlet Manager. **[R815]**.

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Accounting

4.3.19. EPOSS shall accurately maintain data and record all Transaction Sessions as double entries. If EPOSS is interrupted or fails during a Customer Session the POCL Service Infrastructure shall ensure that data capture is resilient and consistent with the need to retain a balanced status. **[R803]**

Report Production

4.3.20. The media for, and format and contents of reports and summaries available from EPOSS shall be agreed and specified in "Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service".

4.3.21. Changes to the POCL Product range and the internal reporting structure within current principles shall be possible by Reference Data rather than by Software update. **[R818]**

4.3.22. EPOSS shall be able to produce Reports at the User's discretion, subject to POCL and Client rules on frequency of despatch and POCL Outlet Accounting Periods. Client Reports shall be produced on a daily or weekly basis. Where operationally appropriate, several weekly Reports shall be produced during a POCL Outlet Accounting Period. **[R837]**

4.3.23. EPOSS shall allow the User to preview on-screen, or print, each Report. **[R696]**

4.4. External interfaces

4.4.1. All Transactions and actions undertaken in EPOSS shall be recorded in an audit trail by use of, and maintained by, the POCL Infrastructure Services. [FS 4.1.3.1]

4.4.2. EPOSS shall allow TMS to pass all recorded information to remote systems outside the POCL Service Infrastructure as specified in the Service Architecture Design Document, as amended by CCN from time to time. **[R811]**

4.5. Management information

4.5.1. EPOSS shall have the facility to allow input of Transaction related data after the event for items required for management information which may not impact on the Outlet Balance. **[R838]**

Audit [R805,816]

4.5.2. EPOSS shall maintain a log of Transactions and Events, including fallback and Recovery actions, attempted and actioned at Stock Unit level for any Balancing Period in the current POCL Outlet Accounting Period.

4.5.3. EPOSS shall provide a facility to allow authorised Users to inspect the log activities on the Stock Unit within the POCL Outlet Accounting Period, for example to support the resolution of enquiries or to review all attempts to access a Stock Unit.

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4.5.4. A complete set of Outlet Records, for a rolling period of 18 months, shall be maintained as available for retrieval and review (but not amendment).

4.5.5. On retrieval all Records shall be packaged in weekly batches as a complete POCL Outlet Accounting Period cycle.

5. INTERFACE TO POCL SERVICES

5.1. EPOSS shall allow the integration of Transactions of other POCL Services using the POCL Infrastructure Services with the Transaction recording elements of EPOSS such that: **[R835]**

(a) there is no necessity to manually notify the EPOSS of the Transaction;

(b) there is a single Transaction Record created and stored to provide the basis for Outlet summarisation and Balancing and Transaction level data transfer;

(c) Transaction Records created and stored shall be entirely consistent with any data transferred at the time of the Transaction to systems and services outside the POCL Service Infrastructure;

(d) Transaction times are kept to a minimum.

6. RESILIENCE, RECOVERY, AND FALLBACK

6.1. EPOSS shall provide fallback facilities for situations where the User cannot use the POCL Infrastructure Services for any reason. These facilities shall maintain the integrity, security and levels of Customer service consistent with the need to maintain trading. **[R820]**

6.2. EPOSS shall ensure that, in the event of an Incident, data integrity is maintained and that no corruption of data is introduced arising from the interruption of any uncompleted activity. **[R823]**

6.3. EPOSS shall ensure that, following an Incident, or if operationally desirable for any other reason,

(a) the User can return to a complete and recent position;

(b) no corruption of secured data has occurred; and

(c) a full recovery can be effected swiftly and in an auditable manner. **[R820]**

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7. SUPPORT SERVICES

7.1. General

7.1.1. The Contractor shall provide, develop, and maintain, prior to the implementation of EPOSS, PPDs and other materials required for its operation.

7.2. EPOSS help desk

7.2.1. The Contractor shall provide an EPOSS support facility through the Horizon System Helpdesk. The EPOSS support shall be available for use by all Users of EPOSS, as soon as EPOSS is made available to them.

7.3. Training

[FS 4.1.3.3.6]

[R531, R532, R533, R534, R833, R949]

7.3.1. The detailed training specifications shall be defined in "Pathway's Training and User Awareness Baseline Document".

7.3.2. For training purposes, EPOSS shall provide a built-in training mode which:

(a) Allows the serving of (imaginary) Customers for all Customer Transactions which do not require on-line access.

(b) Allows all operations used in accounting and balancing of a Stock Unit.

(c) Is generally functionally indistinguishable from normal operation, except that clear indication is permanently provided that training mode is in use.

(d) Records all counter operations and Transactions.

(e) Can be used at any time by any User (including in a live Outlet environment).

(f) Allows the production of receipts and Reports.

7.3.3. EPOSS shall provide an effective training mode through the implementation of "training" Stock Units and will segregate these from operational Stock Units and the normal office accounting processes.

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SCHEDULE F03- POCL RESPONSIBILITIES

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.3a	Applying CCN473c to add section 3	23 December 1999
1.3	Baseline copy of 1.3a	30 March 2000
4.0c	New Schedule introducing Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	24 June 2002

1. INTRODUCTION

1.1. This Schedule specifies the actions and responsibilities that POCL shall fulfil in order to enable the Contractor to meet its obligations under Schedule F01 and related Schedules.

1.2. The table under paragraph 2 below matches the paragraphs in Schedule F01 to the POCL responsibilities that are set out in Schedule A16 of the Codified Agreement.

1.3. For the avoidance of doubt the omission of relevant POCL Responsibilities from paragraph 2 below shall not relieve POCL from any such relevant POCL Responsibilities as are expressed in Schedule A16 of the Codified Agreement.

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2. POCL RESPONSIBILITIES

Paragraph reference	Responsibility
3.1	835
3.2	806
3.3	825
3.4	825
3.5	811
3.6	823
3.7	816, 820
3.8	818
4.2.1	810
4.2.2	836
4.2.3	804
4.2.4	960
4.2.5	825
4.2.7	825,810
4.2.7(b)	812
4.2.7(d)	800
4.2.8	800
4.2.9	825
4.2.10	809, 825
4.2.11	800
4.2.12	693
4.2.13	832e
4.2.16	824,801
4.2.17	825
4.2.18	810
4.2.19	810
4.2.20	817
4.2.21	825,692
4.2.22	825,692
4.2.24	839
4.3	818
4.3.3	821
4.3.4	818
4.3.5	695
4.3.6	695
4.3.7	695
4.3.8	695
4.3.9	802
4.3.10	807
4.3.11	808
4.3.12	808,832
4.3.13	813
4.3.15	695
4.3.16	814

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4.3.17	814
4.3.18	815
4.3.19	803
4.3.21	818
4.3.22	837
4.3.23	696
4.4.2	811
4.5.1	838
4.5.2	805,816
5.1	835
6.1	820
6.2	823
6.3	820
7.3	531,532, 533, 534, 833, 949

3. REFERENCE DATA

3.1. Reference Data supplied to the Contractor must conform to the Reference Data Type A Application Interface Specification current from time to time.

3.2. Reference Data supplied will conform to the business rules set out in the Working Document 'Reference Data Business Rules and Values'.

3.3. Reference Data for Item Transaction Modes already provided must be validated against POCL and joint business rules, and corrected for all cases which are not aligned.

3.4. POCL must ensure that the appropriate Item Transaction Modes are available for all migration Products, in order to allow Outlet migration to continue without hindrance. MiMAN and MiECCO will not test for the availability of Item Transaction Modes during counter migration.

3.5. The contents of Output messages to users will be agreed between POCL and the Contractor.

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SCHEDULE G01- POCL INFRASTRUCTURE SERVICE DEFINITION

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.1a	Applying CCN263a to 3.4.1.11; CCN281 to 6.9.4, CCN280 to 6.4.6, CCN377 to 5.3.2.2; CCN419 to 2.3.2.1	
1.1b	Correcting document reference in 6.4.6	
1.1	Baselined copy of 1.1b	18 Oct 1999
1.2a	Applying CCN323a to 2.3.7.4c, 3.4.1.8a, 3.4.1.8b, 4.2.4.1, 5.3.2.2, 4.2.4.1; CCN484 to 2.6.1.3; CCN562 to 3.6; CCN560 at 3.4.2.2 and 3.4.4.2	
1.2b	Removing typos in 3.6.4(c) and 3.6.5; Removing 3.4.4.2	
1.2	Baseline copy of 1.2b	30 Nov 1999
1.3a	Applying CCN564a to 5.3.2.2; CCN591 to 2.3.1.7; CCN592 to 2.3.7.2; CCN600 to 3.6 (noting numbering modification from 3.6.8 in CCN600) and Annex added	
1.3	Baseline from 1.3a, correcting Type B document name in para 5.3.2.2, and conforming header/footers to standard	30 March 2000
1.4a	Applying CCN496c to 3.4.1.5 (c); CCN590a to 3.4.1.5 (d); CCN595 to 3.4.1.8 (b) [note 3.4.1.8 (a) was changed by CCN323a to correct title - CCN595 should not undo this], 5.3.2.2; CCN606 to 3.4.1.5 (b)	
1.4	Baseline copy of 1.4a	21 July 2000
2.0a	Applying CCN632b to para 2.2.3; CCN633b to paras 3.2.1 & 5.3.5.1; CCN679b adding section 7	
2.0	Baseline copy of 2.0a	12 January 2001
4.0e	New Schedule introducing Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

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1. OVERVIEW

1.1. The POCL Infrastructure Services consist of the Office Platform Service (OPS), the System Management Service (SMS) and the Transaction Management Service (TMS). [extrapolation]

1.2. The POCL Infrastructure Services provide the services to deliver the POCL Application Services and EPOSS, NBS and LFS. [extrapolation]

1.3. The Contractor shall provide POCL Infrastructure Services in accordance with the Service Levels set out in Schedule G10. [extrapolation]

2. OFFICE PLATFORM SERVICE

2.1. PURPOSE

2.1.1. This Section details the functions and capabilities provided by the Office Platform Service (OPS) that shall be supplied by the Contractor. The OPS is provided using the Equipment installed in Outlets which enable the POCL Applications and EPOSS to run successfully. [extrapolation]

2.2. OVERVIEW

2.2.1. The Contractor shall in each Outlet install the Equipment used to provide OPS, and provide OPS, subject to the limits specified in Annex 5 to Schedule A12. **[R559]**

2.2.2. The OPS shall be capable of supporting the entire range of business transacted at Outlets for current volumes of business and volumes of business as projected by POCL subject to the limits specified in Annex 5 to Schedule A12. [R558] 2.2.2.

Two types of Counter Position configurations shall be provided:

- a standard configuration which shall be suitable for the majority of Outlets;
- a mobile configuration, as defined in Introduction of the Mobile Configuration, which shall be installed in Outlets to the maximum number described in Annex 5 to Schedule A12. [4.1.4.1]

2.2.3. The OPS shall support the POCL imperative of keeping Transaction times to a minimum. [R558]

2.3. GENERAL SERVICE DESCRIPTION

2.3.1. Non Operational Requirements for Equipment

2.3.1.1. The Contractor shall supply samples of all elements of the POCL Service Infrastructure used to provide OPS which are provided by the Contractor for purposes other than (i) Roll Out and (ii) live use in Outlets as part of the Operational Services. [R463]

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2.3.1.2. The Equipment shall be reassigned to operational use by the Contractor when it is agreed by the parties that it is no longer required for the purposes of paragraph 2.3.1.1. [S463]

2.3.1.3. POCL shall notify the Contractor of the number of samples required which shall be used for such purposes as described in paragraphs 2.3.1.4 to 2.3.1.7.

Testing by POCL;

2.3.1.4. POCL shall notify the Contractor from time to time of how many samples are required for the purposes of testing such elements of the POCL Service Infrastructure at Operational Trial. They shall not in total exceed the equivalent of eight (8) Outlets with a total of fifty (50) Counter Positions. Any requirements thereafter for samples of Equipment for testing purposes (beyond the initial fifty (50) Counter Positions) shall be agreed by POCL and the Contractor. [R463]

Destructive testing;

2.3.1.5. Unless testing demonstrates a breach of the relevant standards in Schedule A02, the number of specimens for destructive testing purposes shall not exceed one example of each type of POCL Service Infrastructure used to provide OPS. No such specimens of PIN Pads shall be provided for destructive testing purposes. [R463]

Training;

2.3.1.6. The Contractor shall provide OPS and associated Equipment for a combination of both classroom training and on-site training, where such training is provided by the Contractor. [S463]

Demonstrations and marketing.

2.3.1.7. The Contractor shall provide OPS Equipment which shall be required to demonstrate and market Office Platform Services to Clients and prospective Clients. The Equipment that is required shall be set out in marketing plans as agreed jointly between POCL and the Contractor from time to time. [S463]

2.3.2. Appearance of the Equipment within OPS

2.3.2.1. With the exception of PIN Pads the standards for equipment livery to be used within OPS are defined in "Counter Hardware Design Specification.". The standards for equipment livery for PIN Pads are defined in the CCD "PIN Pad Product Specification" (NB/PDN/010). [S465]

2.3.2.2. The effort required to maintain the appearance of the Equipment shall be minimal and capable of being undertaken by the local Outlet Users. It shall be comparable to the cleaning required of any desk-based office computer system. [R465 / S465]

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2.3.3. OPS Equipment - engineering visits

2.3.3.1. Maintenance and repair of the elements of the POCL Service Infrastructure used to provide OPS involving on-site attendance at POCL Premises by the Contractor's engineers shall not interfere unduly with the ability of an Outlet to serve Customers, even where Outlets have a single Counter Position and/or extremely limited physical space. [R468]

2.3.3.2. If a maintenance or repair operation is predicted to take longer than twenty (20) minutes then the Contractor shall replace the whole unit or module to minimise disruption at the counter. [S468]

2.3.3.3. The Contractor shall carry out visits for maintenance or repair of the POCL Service Infrastructure in line with the Service Levels described in Schedule G10 (Service Levels and Remedies). Optionally, an Outlet Manager shall elect to defer a visit to a time which he believes is more convenient. For example, in a larger Outlet, if a fault occurs at the busiest time of day then POCL may specify the start time from which the Contractor may carry out the maintenance or repair. In these circumstances, the request for service shall be diagnosed fully but not carried out until the preferred appointment time. In this case the time in suspension shall not count towards down-time as defined in Schedule G10 (Service Levels and Remedies). [S468]

2.3.4. Health, Safety and Legal obligations

2.3.4.1. All Equipment used to provide OPS shall comply with the Health, Safety and Legal requirements laid down in Schedule A02. [R474]

2.3.5. Equipment Environmental Considerations

2.3.5.1. All Equipment used to provide OPS shall comply with the Equipment environmental considerations laid down in Schedule A02. [R540]

2.3.6. Continued Support of Operating Systems, Middleware and Applications Software

2.3.6.1. The Contractor shall fully support the Software in the POCL Service Infrastructure during the life of the elements of the POCL Service Infrastructure on which such Software is utilised in providing the POCL Services. [R542]

2.3.7. Capabilities on Initial Implementation

2.3.7.1. The Contractor shall provide the POCL Service Infrastructure appropriate for each Outlet. [extrapolation]

2.3.7.2. The Contractor shall install and support the POCL Service Infrastructure provided as mobile counter configurations, in accordance with the limits set out in Annex 5 of Schedule A12 of the Codified Agreement, where requested by POCL. The exact numbers and circumstances of each mobile configuration shall be agreed with POCL as part of the Roll Out planning process. [4.1.5.1.7]

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2.3.7.3. In each Outlet, at each Counter Position PC, from Roll Out at such Outlet, OPS shall: [R555]

a) support the reading of track 2 from magnetic stripe cards complying with ISO 7811 parts 1-4;

b) support the reading from and writing to Smart Tokens complying with:

- ISO 7816 parts 1 and 2;
- and/or ISO 7816 parts 1, 2 and 3;

and be capable of supporting future applications complying with:

- ISO 7816 part 4;
- support GFM-2K and GFM-4K.

c) where possible, support magnetic stripe cards and Smart Tokens that do not match the above standards in all respects (e.g. where embossing is not in the correct position, or the magnetic stripe information does not adhere fully to the standards set out in paragraph (a)). Support for such non-standard cards will be assessed on an individual basis in accordance with the Solution to Requirement 555 in Schedule A16;

d) support the reading of one dimensional bar-codes. The maximum bar-code width to be read shall be 10.9 cm at a resolution of 9 mils. OPS shall support, at minimum code 128, EAN 8, EAN 13, code 39.

e) support a colour touch screen and keyboard.

2.3.7.4. In each Outlet from Roll Out at such Outlet OPS shall enable POCL Applications and EPOSS to: [R555]

a) support printing on manually fed pre-printed forms at the Counter Position;

b) support printing on cheques and other forms at the Counter Position;

c) support printing of existing Client reports at the counter. This shall include Counter printing, as specified in "Horizon OPS Reports and Receipts - ICL Pathway Horizon Office Platform Service", in large fonts and printing with 90 degree rotation;

d) support the connection of electronic weighing scales (which shall not be supplied under the Codified Agreement) to the POCL Service Infrastructure. As a minimum, connections shall include Avery Berkel type D104 and A702 via RS-232 connections. It shall be possible to share a set of weighing scales between two or more Counter Positions at which the POCL Service Infrastructure has been installed;

e) support the printing of reports necessary to meet existing Client commitments;

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f) support the printing of cash accounts and plain paper summaries;

g) support the printing of PDF417 two dimensional bar-codes on forms generated through back office processing. Typically the two dimensional bar-code shall be used to contain cash account information;

h) support the printing of one dimensional bar-codes at the Counter Position on forms as well as tally roll print. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable;

i) support the printing of one dimensional bar-codes at the back office, if a back office printer is provided. As a minimum, code 128, EAN 8, EAN 13 and code 39 shall be printable. [R555]

2.3.8. Technology Refresh

2.3.8.1. POCL wishes to take advantage of changes in technology during the term of the Codified Agreement. [R560]

2.3.8.2. The specification of the Equipment used within the POCL Service Infrastructure shall be specified in the "Counter Hardware Design Specification" and shall be reviewed by POCL and the Contractor at times reasonably agreed by them, to ensure that the most appropriate technology is deployed. [R560]

2.3.8.3. No change shall be made to the specification of Equipment to be used within the POCL Service Infrastructure without prior approval by POCL.

2.3.9. Ability to Provide Authorisation to POCL Products

2.3.9.1. It is likely that, in due course, re-engineered POCL Products shall require specific authorisation, either through access to a computer system external to the POCL Services or within the POCL Services. [R827]

2.3.9.2. The POCL Services and the POCL Service Infrastructure shall be able to be developed to support the maintenance and use of:

a) stop lists;

b) go lists;

c) other authorisation types;

in relation to such reengineered POCL Products. [R827]

2.3.9.3. The POCL Services and the POCL Service Infrastructure shall support such authorisations through access to external computer systems.[R827]

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2.3.10. Use of OPS for Agent business

2.3.10.1. Where an Agent may in future use the OPS for his own business, all POCL Services using the OPS shall identify such Transactions separately from those relating to POCL Services under the Codified Agreement, in particular for financial accounting. [R836]

2.4. AVAILABILITY

2.4.1. User access to OPS

2.4.1.1. Any remote User access to OPS shall be restricted to Users specifically authorised by POCL and shall only take place via TMS. [R473]

2.4.1.2. Access to OPS and POCL Services offered via OPS to Users working in the Outlets shall be controlled by a mechanism, conforming to the "Horizon OPS Style Guide", referenced in Schedule B03, offering multiple access levels and providing specific identification of each User. [R473]

2.4.1.3. Only Users authorised by POCL shall be able to log-on to the OPS at an Outlet in accordance with their defined role. [S473]

2.4.1.4. Authentication of all Users logging on to the OPS in the Outlet shall be undertaken by the elements of the POCL Service Infrastructure on which OPS is based. Full access control and password management facilities shall be provided. Users shall only access those Applications for which they have been given permission by the Outlet Manager. Each User shall be identified by a unique User-id and individual password. [S473]

2.4.1.5. It shall be possible to restrict the functionality available at an Outlet, to permit (inter alia) some POCL Services not to be offered at all Outlets. It shall also be possible to restrict certain Transaction types in an Outlet. [R473 / S473]

2.4.1.6. The OPS shall provide facilities to enable the Outlet Manager to establish new Users and set an initial password for all Users in an Outlet. Should a User forget their password the Outlet Manager shall be able to reset the password. The same procedure shall apply at single Counter Position Outlets and multiple Counter Position Outlets. [S473]

2.4.1.7. For situations where the sole User (e.g. Outlet Manager in a single Counter Position Outlet) has forgotten their password, the OPS shall provide the facility to generate a unique key as part of the log on to a specific username. This shall be phoned to the Horizon System Helpdesk who shall provide the corresponding key which when input to OPS shall allow access to the administration facilities. The User shall then be able to reset their User password. [S473]

2.4.2. Concurrency

2.4.2.1. OPS shall support concurrent access to POCL Services provided via it. [R953]

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2.4.2.2. Performance, and corresponding Service Levels, of OPS shall not be significantly degraded by other Outlet activity, e.g. front office, back office and communications activities shall not unduly impact each other. [R953]

2.5. PERIPHERALS

2.5.1. POCL Infrastructure - OPS: Peripheral and input devices Equipment General Requirements

2.5.1.1. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be reliable, robust and easy to use. [R536]

2.5.1.2. Peripheral and input devices supplied as part of the elements of the POCL Service Infrastructure on which OPS is provided shall be capable of detecting contention, premature removal/swapping of Smart Tokens. [R536]

2.5.2. Schlumberger Smart Keys

2.5.2.1. The OPS shall support the reading from and the writing to Schlumberger Smart Keys. [S556]

2.5.2.2. In any Outlet requiring the reading and writing from Schlumberger Smart Keys it shall be acceptable to use an external peripheral device, and to share this device between Counter Positions where practical. [R556]

2.5.3. Peripherals Flexibility

2.5.3.1. OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall have the flexibility for additional peripheral equipment to be added in the future, including input devices and printers. [R557]

2.5.3.2. The Counter Position PC shall have the capability of having at least four (4) additional RS-232 connected peripherals added to a Counter Position configuration as initially installed at Roll Out. [S557]

2.5.3.3. POCL may, as an Additional POCL Service, require OPS and the elements of the POCL Service Infrastructure on which OPS is provided to be linked to teller cash dispensers. Such Additional POCL Service shall be subject to agreement with the Contractor. [R557]

2.5.4. Future Flexibility for Sharing of Specialist Peripherals

2.5.4.1. OPS, and the elements of the POCL Service Infrastructure on which OPS is provided, shall be able to be connected via RS 232 ports, and shall support such connection, to specialist peripherals in such a way that the specialist peripherals may be accessed by one or more PCs. In such a case it shall be possible to restrict access to a subset of the PCs in each Outlet. This capability shall not be applicable to PIN

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Pads which can not be connected to or accessed by more than one PC at any one time. [R826 / S826]

2.6. SECURITY

2.6.1. Security of data and audit trail for OPS

2.6.1.1. Full logs of Transactions and significant Events within OPS shall be maintained and an audit trail of interactions with, and actions within, OPS shall be maintained. The audit trail shall be made available automatically for analysis by both audit access facilities and value added services which are linked to TMS. [R472]

2.6.1.2. All data captured at an Outlet either as part of a Counter Position Transaction or as an administration function shall form part of a unique Transaction which shall be given a unique reference number by Riposte and details stored in the journal. The format of this journal entry shall vary according to the Transaction type but will typically contain: [S472]

- Post Office ID;
- Counter Position ID;
- Unique Transaction ID;
- Date;
- Time;
- User ID;
- Application;
- Transaction Details. [S472]

2.6.1.3. Each Counter Position PC shall contain a journal and all journal entries shall be automatically replicated to all other members of the work group. This shall include all the PCs in the Outlet and one of the correspondence servers, at which TMS is provided. This Correspondence Server forms part of a 'cluster' of Correspondence Servers of which 2 are located on one site and the remaining 2 located on a separate geographic site. All transactions associated with one Correspondence Server are automatically replicated to the other site. Within each site all transactions are reliably mirrored within a multiple disk array which has no single point of failure. [S472]

2.6.1.4. Once data are stored in the journal they shall never be altered. New Transactions shall always be appended to the journal. Retrieval of data using a particular key field shall retrieve all entries containing that field. [S472]

2.6.1.5. The security of data held within OPS shall not be compromised by any Incident nor when OPS is re-established following any Incident. [R472]

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2.6.1.6. The Contractor shall provide synchronisation facilities which shall automatically check the status of the journal for a node when it is re-established following failure. Should the journal be out of step (e.g. through failure of the Counter Position PC) the Contractor shall automatically synchronise the journal and any data files to the same state as all other journals in that work group. Synchronisation may occur from another Counter Position PC (in a multi-Counter Position Outlet) or from one of the correspondence servers (in a single Counter Position Outlet). [S472]

2.6.1.7. The operating system supporting the OPS shall provide assurance of access control and data integrity functions. [4.1.4.1.1.3]

2.6.2. OPS Secure Suspension

2.6.2.1. The OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall provide secure time-out facilities for each Counter Position PC and back office PC. [R921]

2.6.2.2. The Contractor shall provide a User activated suspension which shall enable the User to clear the screen and leave the PC for a short period. The User session shall be reactivated by the User entering their password. Any Applications which were active shall be left active. The display presented when the suspension facility is activated shall be different to any normal desktop or Application screen. [S921]

2.6.2.3. Should the User who initiated the suspension be unable to re-activate the facility, the following actions may be taken: [S921]

- After a period of time, during which there is no active session, the session shall be automatically logged-out. A journal message will be created indicating this;
- The Outlet Manager may assume responsibility for any uncompleted session, the Stock Unit or share thereof, by entering his own User name / password;
- Once the PC has logged-out any authorised User may then use that PC;
- All the above Events shall be written to the journal. [S921]

2.6.2.4. The facility shall allow the User to resume work with the minimum delay consistent with achieving security in accordance with the provisions hereof. [R921]

2.6.3. Inactivity Time-out

2.6.3.1. The OPS and the elements of the POCL Service Infrastructure on which OPS is provided shall provide secure inactivity time-out facilities if the PC is inactive for a short period for each Counter Position PC and back office PC.

2.6.3.2. Should the User be unable to re-activate the facility, the following actions may be taken: [S921]

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- After a period of time during which there is no active session the session shall be automatically logged-out. A journal message shall be created indicating this;

- The Outlet Manager may assume responsibility for any uncompleted session, the Stock Unit or share thereof, by entering his own User name / password;

- Once the PC has logged-out any authorised User may then use that PC.

All the above Events shall be written to the journal.

2.6.3.3. The facility shall allow the User to resume work with the minimum delay consistent with achieving security in accordance with the provisions hereof. [extrapolation]

2.6.4. Encryption Key Management

2.6.4.1. The OPS shall support a reliable and secure means for the storage and transfer of data. This shall include the use of techniques used selectively and in agreement between POCL and the Contractor as specified in the "Security Functional Specification", referenced in Schedule B03. [S952]

2.6.4.2. With the exception of PIN Pads (in which case 2.6.4.3 shall apply), a key management system shall be in place so the encrypted data can be deciphered without risk of that cryptographic key being exposed. [R952]

2.6.4.3 Management of keys associated with PIN Pads shall be as described in paragraph 10.6.1 (a) of Schedule N01.

2.7. DOCUMENTATION

2.7.1. OPS - technical documentation

2.7.1.1. The Contractor shall provide technical documentation concerning OPS and the elements of the POCL Service Infrastructure used to provide OPS as specified in Schedule B3. This documentation shall be suitable to allow POCL to procure Applications which utilise OPS or that part of the POCL Service Infrastructure which is used to provide OPS. These procurements shall not necessarily be from the Contractor. [R469]

2.7.2. POCL Infrastructure - OPS: Style Guide

2.7.2.1. The Contractor shall draw up the Horizon OPS Style Guide and agree this with POCL. Any POCL Service to be offered via the OPS shall be provided in accordance with the Horizon OPS Style Guide. [R475]

2.7.2.2. The Horizon OPS Style Guide shall set out, inter alia, general guidelines for the Human Computer Interface: [S475]

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- An efficient and intuitive method of Transaction selection exploiting touch-screen and function-key driven techniques;
- A menu hierarchy based on "most used" Transactions;
- Transaction selection which can be invoked by peripheral Events;
- A seamless link between Transaction selection and Application;
- A common and consistent User Interface for Transaction selection and Applications;
- Screen layouts;
- POCL Service Infrastructure navigation routes;
- Help facilities. [S475]

2.7.2.3. The Human Computer Interface shall be intuitive and easy to use, to minimise errors and delays. The Human Computer Interface shall provide a consistent look and feel across all Applications and be easy to adapt to facilitate the introduction of new Applications. [R475]

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3. TRANSACTION MANAGEMENT SERVICE

3.1. Purpose

3.1.1. This Section details the functions and capabilities provided by the Transaction Management Service (TMS) that shall be supplied by the Contractor. [extrapolation]

3.1.2. The Contractor shall provide TMS in accordance with the applicable Service Levels set out in Schedule G10. [extrapolation]

3.2. Overview

3.2.1. The TMS shall provide the interworking between the Outlets and the Contractor's central processing sites. This interworking shall use one of the following communications access methods: Integrated Services Digital Network (ISDN); Integrated Satellite Business Network (ISBN), generally referred to as VSAT (Very Small Aperture Terminal); or Frame Relay. TMS shall be provided using both the Outlet and the correspondence server Equipment, presenting interfaces to POCL Client systems or POCL systems. Such interfaces shall be implemented using TMS Agents, which are specified in paragraph 3.4.1. [4.1.4.2.1]

3.2.2. The role of TMS shall be to provide a secure and resilient messaging and journalling service which shall support the transfer of data between OPS and POCL Client services, and the POCL Services. [4.1.4.2.1]

3.3. General Attributes

3.3.1. Scalability

3.3.1.1. The Contractor shall provide TMS such that it shall be scaleable to meet POCL's future business needs. [R541 / S541]

3.3.1.2. This capability shall include the ability to support any Client Transactions re-engineered by POCL, new capabilities developed by POCL and considerable volumes of Transactions needing authorisation from a Client system or a central point in POCL. [R541]

3.3.1.3. There shall be no constraints on the scaling of TMS or of the underlying POCL Service Infrastructure to meet the workload volumes projected for POCL. The modular nature of TMS and the POCL Service Infrastructure shall enable any workload growth to be accommodated, subject to the relevant provisions in Schedule G05 and N01.[S541]

3.3.1.4. The Contractor shall monitor traffic patterns and actual system resource usage. The optimum deployment of the elements of the POCL Service Infrastructure shall be used to provide TMS. [S541]

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3.3.1.5. The Contractor shall support POCL's strategy to introduce new classes of business Transactions and shall enable access to central host systems for authorisation or data access/update. The Contractor shall implement such links using TMS to provide the specific Client data exchanges. [S541]

3.3.2. Discreteness of TMS

3.3.2.1. TMS shall be logically discrete from other POCL Services such that other POCL Services can be separately procured that make use of TMS and such that in extremis a replacement service for TMS could be separately procured. [R480]

3.3.2.2. Not used

3.3.2.3. By the end of the Operational Trial Period, the Contractor shall specify the boundary performance characteristics of TMS (which shall for these purposes include APS,EPOSS,OPS,SMS, OBCS and LFS).

3.3.2.4. For the avoidance of doubt, POCL shall be entitled to test the ability of the Contractor to provide such boundary performance information as part of acceptance testing. The Contractor shall enable POCL to perform such testing by a date agreed between the parties, but in no event later than 9 months after commencement of Roll Out.[R869]

3.3.3. Data Integrity

3.3.3.1. An Application or TMS Agent shall be able to be certain, at some level, that data have been positively acknowledged as received by TMS, or a peer Application connected to TMS. [4.1.4.2.3.4.4]

3.3.3.2. Data transfers shall be capable of being despatched as: [4.1.4.2.3.4.4]

- immediate;
- background / trickle fed;
- time deferred. [4.1.4.2.3.4.4]

3.3.4. Exclusivity

3.3.4.1. No computer system shall be connected to the elements of the POCL Service Infrastructure on which TMS is provided without the approval of POCL. [R479]

3.3.4.2. The Contractor shall maintain a register of computer systems with which such connections are allowed. [R479]

3.3.4.3. TMS shall provide links into other computer systems as required to support the introduction of new or re-engineered Transactions required by POCL. [4.1.4.2.2.3]

3.3.4.4. TMS shall authenticate the identity of any computer system with which a link is to be established. [R479]

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3.3.4.5. TMS shall produce reports detailing any attempt to establish a link which is rejected. The Contractor shall provide these reports to POCL on request. Such reports will not be required where the link is between TMS and the NBE and the rejection is due to a failure of the NBE. [R479]

3.4. General Service description

3.4.1. Interface support

3.4.1.1. TMS shall interface with each instance of OPS within each Outlet. [extrapolation]

3.4.1.2. The Contractor shall support the interfaces between (i) POCL systems and (ii) the POCL Services, as such interfaces are defined in the POCL Interfaces documentation maintained by POCL. These shall include:

- Transaction Information Processing (TIP) system interfaces to/from TMS and Outlets;
- Interfaces between Outlets, TMS and Clients;
- TIP / TMS interface for authorisation data;

[R831 / old 6.4.1.3]

- Interface between the POCL Reference Data System and the POCL Service Infrastructure and POCL Services; [extrapolated]
- Interface between POCL SAPADS and TMS.
- Interfaces between the NBE and TMS

3.4.1.3. The development and implementation of the interfaces specified in paragraph 3.4.1.2 shall principally take the form of TMS Agents which act upon Transactions originated within the Outlets or which receive Transactions or data from POCL or Client systems. [derived from S831]

3.4.1.4. TMS Agents described in paragraph 3.4.1.3 shall comprise:

(a) For EPOSS:

i. TIP TMS Agent;

(b) For APS:

i. Farnborough Data Polling Centre TMS Agent;

ii. TMS Agent(s) to/from POCL APS Clients (to be agreed);

(c) For OBCS:

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i. TMS Agent to transfer data between OBCS host and counter application;

(d) For POCL Service Infrastructure and POCL Services:

i. Reference Data System TMS Agent;

(e) Further TMS Agents to support Additional POCL Services or additional Client services may be agreed from time to time between POCL and the Contractor; [new text derived from S831]

(f) For LFS:

i. TMS agent to transfer data between LFS host and the counter application.

(g) For NBS:

i. TMS Agents to transfer data between the NBE and the NB Counter Application

3.4.1.5. Transactions and data shall be transmitted via TMS Agents from the following sources:

a) Transactions from Outlets

Transactions from Outlets shall be generated as a part of the relevant POCL Application Service, EPOSS, LFS or NBS. [new text derived from S831]

b) Transaction Information System (TIP) system interfaces to/from TMS and Outlets.

Interfaces shall be provided to support the transmission from Outlets of:

- TMS Transactions (POCL Client summary returns);
- Automated Product data (Authorisations within Outlet within POCL client);
- Outlet Transactions.;

and the receipt at Outlets of:

- error notices;
- texts and/or files for distribution to Outlets (instructions, procedures etc.).

The Contractor shall support this requirement by a TIP specific TMS Agent. This shall undertake the periodic processing of the TMS journals on the Correspondence Servers to provide the outputs to TIP. Data shall be passed daily at a time or times to be agreed.

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The electronic cash account shall be transmitted to TIP in accordance with the SADD paragraph 4.1.3.3.4. [R819/4.1.3.3.4 after CCN81d]

c) *Reference Data system interface to TMS and Outlets.*

Interfaces shall be provided to support the transmission to Outlets of:

- Reference Data about Outlets;
- Reference Data for TMS, APS, EPOSS, NBS and OBCS (not including OBCS Stop Lists data).

Reference Data from POCL Reference Data System (RDS) is delivered in separately identifiable change requests and loaded into Pathway's Reference Data Management Centre (RDMC). Change requests are then made available to a daily extract process when correct authorisation for each request is received from POCL. Details regarding the delivery and authorisation of Reference Data are given in the following CCDs:

- For Products - "ICL Pathway/POCL Interface Agreement for Operational Business Change - Product" (CS/PRD/058)
- For Outlets - "ICL Pathway/POCL Interface Agreement for Operational Business Change – Outlet" (CS/IFS/003).

The Reference Data TMS Agent receives the file of data extracted from the RDMC upon completion of the extract process which runs according to the daily schedules.

d) *Interfaces between Outlets (via TMS) and POCL Clients*

Interfaces shall be provided to support the transmission from Outlets of:

- Transaction data;
- Authorisations Requests;
- Authorisation Confirmations / Exceptions;

and the receipt at Outlets of:

- Authorisations;
- Client-specific Reference Data.

The Contractor shall support this by POCL Client-specific TMS Agents. These shall undertake the periodic processing of the TMS journals on the Correspondence Servers to provide the outputs to POCL Clients. Initially, interfaces will be provided in accordance with Pathway to HAPS Interface Specification (AP/IFS/001). Interfaces in respect of individual POCL Clients will be provided in accordance with either AP Client Specifications or an equivalent document for non AP Clients as and when these are agreed.

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The POCL Client TMS Agents shall also receive from each POCL Client messages containing either authorisations or Client specific Reference Data in a manner to be agreed by the parties. [new text derived from S831]

e) Interfaces between Outlets (via TMS) and the NBE

Interfaces shall be provided to support the transmission from Outlets of:

- Requests;
- C0 Confirmations;

and the receipt at Outlets of:

- Authorisations.

The Contractor shall support this by NBS specific TMS Agents. These shall send Requests and C0 Confirmations to the NBE. In addition the NBS specific TMS Agents shall receive Authorisations from the NBE.

3.4.1.6. The Contractor shall provide the capability for reconciliation between POCL and its Clients by ensuring TIP receives a copy via TMS of relevant authorisation data as specified on an individual Client basis by POCL. [R831 / old 6.4.1.4]

3.4.1.7. The capability for POCL to effect reconciliation between itself and its Clients shall be provided by the TMS outputs to TIP for Automated Product Data and Outlet Transactions, with reconciliation totals. [new text derived from S831]

3.4.1.8. The POCL Interface between TIP and the POCL Infrastructure Service shall be defined in two documents:

(a) *"Pathway to TIP Application Interface Specification"* and

(b) *"Pathway to Post Office Technical Interface Specification"*.

These and other POCL Interfaces documents shall be produced by POCL by a date consistent with the Project Plan. This documentation shall cover:

- data content in logical groupings;
- physical layouts;
- controls (including security);
- timings;
- volumes;
- technical interface specifications (initially options and constraints);
- configuration management;

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- contingency arrangements. [R831 / old 6.4.1.5]

3.4.1.9. Versions of existing POCL Interface documentation describing the existing interfaces shall be made available to the Contractor. [R831 / 6.4.1.6]

3.4.1.10. The POCL Interfaces documentation shall not initially cover further potential interfaces in respect of:

- EFTPOS;
- reconciliation and exception reporting;
- operational management information;
- performance monitoring;
- inspection of Transaction and Event logs for audit and security purposes;
- transitional arrangements in relation to 'cash account processing'.

[R831 / R891 / old 6.4.1.7]

The specifications for interfaces that are not part of the Core System Services, subject to Clause 201.6, are to be agreed between POCL and the Contractor under change control.

3.4.1.11. The format of each interface shall be specified in a Contract Controlled Document. Such specifications for interfaces added from time to time shall be introduced through the Change Control Procedure.[R831 / old 6.4.1.8]

3.4.1.12. *Interface with Inventory Management*

The POCL Infrastructure Service shall be designed such that it can interface into any POCL inventory management systems, and shall have sufficient capacity not to preclude such interfacing. [R822]

3.4.2. Data delivery

3.4.2.1. TMS shall provide for the distribution and collection of both file and record level data to and from the OPS. [4.1.4.2.3.5.1]

3.4.2.2. Overnight TMS shall produce a report of those Outlets which have not been polled in the last 24 hours (including date of report, FAD code of each unpolled Outlet and the date when that Outlet was last polled), and that report shall be e-mailed to POCL's Business Support Unit. [S891]

3.4.2.3. Large data transfers shall be capable of being delivered in the same order as sent. [4.1.4.2.3.5.1]

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3.4.3. File Operations

3.4.3.1. TMS shall support the transfer of files between two or more computer systems at which TMS is attached to the POCL Service Infrastructure. [4.1.4.2.3.5.2]

3.4.3.2. TMS shall provide a file distribution function which shall be responsible for transfer, monitoring and retry of files. [4.1.4.2.3.5.2]

3.4.3.3. TMS shall support the following functions, without limitation:

- Triggering of transfers;
- Reporting of transfer failures and retry of these transfers;
- Identifying the population of systems connected to TMS. [4.1.4.2.3.5.2]

3.4.4. File Processing

3.4.4.1. Data file processing shall be provided by the TMS Agents, optionally supported by Host systems. TMS Agents shall be customised for each specific host system link and shall provide the required conventional file processing facilities, including without limitation: [4.1.4.2.3.5.3]

- Validation of data files;
- Concatenation and merging of files;
- Generation of many data files from one data file;
- Reformatting of the contents of a data file;
- Generation of control totals;
- Reconciliation of control totals;
- Production of reports, financial and other summaries. [4.1.4.2.3.5.3]

3.4.5. Data Transfer Initiation

3.4.5.1. Data transfers shall be initiated by: [4.1.4.2.3.5.4]

- Operator action
  TMS shall automatically collect and deliver datafiles which are passed to it.
- Time
  TMS Agents shall have access to interfaces that support real and delayed time initiation of activities.
- External message
  Computer systems at which TMS is provided shall be able to initiate a data file collection or delivery. [4.1.4.2.3.5.4]

3.4.6. End to End Recovery

3.4.6.1. End-to-end recovery facilities shall be performed by the Contractor in accordance with the "Service Architecture Design Document".[4.1.4.2.3.5.5]

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3.4.7. Audit

3.4.7.1. The Contractor shall maintain a full audit trail of all TMS activity. [4.1.4.2.3.6]

3.5. Documentation

3.5.1. Technical documentation

3.5.1.1. The Contractor shall provide technical documentation, as specified in Schedule B03, concerning TMS and the elements of the POCL Service Infrastructure used to provide TMS. This documentation shall be suitable to allow POCL to procure POCL Application Services which utilises TMS. These procurements shall not necessarily be from the Contractor. [R470]

3.5.1.2. All changes to such documentation shall be subject to the written agreement of POCL. [R470]

3.5.1.3. The documentation shall include: [S470]

- The TMS Architecture Specification Document.

  A document which includes a description of the overall systems architecture of TMS and the functionality of its various software sub-systems . This shall include a description of the TMS Agents which shall describe how Client systems utilise the TMS. [S470]

- The Generalised API for OPS/TMS Document

  A document which shall describe APIs provided by OPS and TMS. Some of these are used by the Client Agents in support of Client systems.

- The TMS Hardware Specification.

A document which provides a technical specification of the equipment provided in data centres in support of TMS.

3.6. Data Errors

3.6.1. Interpretation of Paragraph 3.6

3.6.1.1. For the purposes of this paragraph 3.6: -

"**Cash Account Error**" means an electronic cash account presented by TMS at the TIP interface which is not an accurate record of the corresponding cash account which was irrevocably committed by the relevant User;

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"**Cash Account Period**" means each period (normally of seven days ending on a Wednesday) to which POCL shall have allocated, or shall subsequently allocate, a Cash Account Period Number and of which it shall have informed, or shall inform, the Contractor through the Operational Business Change process;

"**Contractor Inaccurate Cash Account**" means an Inaccurate Cash Account caused primarily by:-

(i) inaccurate Reference Data in the Contractor's Reference Data system (other than Reference Data supplied by POCL);

(ii) an error in any Software; or

(iii) a failure by the Contractor to apply Reference Data supplied by POCL correctly and in compliance with the CCD entitled "ICL Pathway/POCL Interface Agreement for Operational Business Change - Product" or, pending the signature thereof, the draft of that CCD dated 13/1/2000, version 2.9

where in any such case the effect of such inaccuracy or error was not capable of being corrected by the User before irrevocable commitment of the cash account in question by applying any work-around previously agreed between POCL and the Contractor for such purpose;

"**Data Error**" means:

(i) an error (other than a Not Data Error) which results in an Inaccurate Cash Account (Data Error) or a Cash Account Error; or

(ii) a Transaction Error which is not a Not Data Error;

"**Data Error Counting Period**" means

(i) each Cash Account Period which is of a duration of seven days or less; and

(ii) in respect of Cash Account Periods of greater than seven days duration, each proportion of any such Cash Account Period derived by dividing such Cash Account Period into two or more Data Error Counting Periods such that the first such Data Error Counting Period is between one and seven days' duration and each subsequent Data Error Counting Period during that Cash Account Period is exactly seven days in duration;

"**Inaccurate Cash Account**" means in respect of any Cash Account Period at any Outlet an electronic cash account which does not properly account for all Transactions input to the POCL Service Infrastructure by Users at that Outlet in that Cash Account Period;

"**Inaccurate Cash Account (Data Error)**" means an Inaccurate Cash Account which is not an Inaccurate Cash Account (Not Data Error);

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"**Inaccurate Cash Account (Not Data Error)**" means an Inaccurate Cash Account which:-

(i) is not a Contractor Inaccurate Cash Account; and

(ii) is irrevocably committed by a User at the conclusion of the end of week process in respect of any Cash Account Period at the relevant Outlet notwithstanding that, prior to irrevocably committing such Inaccurate Cash Account, that User had been provided with a warning that receipts and payments did not match and that continuing might lead to an unbalanced cash account (or an equivalent warning);

"**Manual Error Report**" means in respect of any Data Error, a report from the Contractor to POCL describing that Data Error and specifying (in a format suitable for POCL to key into a POCL data input facility):-

(i) in the case of a Data Error resulting in an Inaccurate Cash Account (Data Error) or a Cash Account Error, each of the line items in the relevant cash account which need to be replaced in order to correct the Data Error in question; and

(ii) in the case of a Data Error which is a Transaction Error, the relevant Transaction record as it would have appeared but for the Data Error;

"**Not Data Error**" means any of the following:-

(i) an error caused by invalid data input by Users in Outlets (other than the input of data which puts a previously balanced cash account into a state of imbalance);

(ii) an error caused by the input of erroneous data by a User during migration of POCL Data to any Outlet (save where data migration tools have been provided by the Contractor to detect such error but such error is not detected despite proper use of those tools by the User in question);

(iii) an error caused by Reference Data supplied by POCL which result in Transactions not being correctly taken into account in cash accounts where such Reference Data were correctly applied by the Contractor in compliance with the CCD entitled "ICL Pathway/POCL Interface Agreement for Operational Business Change-Product" or, pending the signature thereof, the draft of that CCD dated 13/1/2000, version 2.9;

(iv) an Inaccurate Cash Account (Not Data Error); or

(v) an error which is classified in Annex 1 to this Schedule G01 as an error of class "F" or "G", whether or not it falls within sub-paragraphs (i) to (iv) above.

"**Repaired Cash Account**" means, in respect of any Inaccurate Cash Account or Cash Account Error, the relevant cash account as corrected by the Contractor;

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"**Repaired Transaction Data**" means, in respect of any Transaction Error, the relevant record following correction of that Transaction Error;

"**Transaction Error**" means an error in one or more transaction data fields in the electronic record of a transaction presented by TMS at the TIP interface or a missing, duplicate or spurious additional Transaction record therein; and

3.6.1.2 For the purposes of this paragraph 3.6 a Data Error shall be treated as relating to a Data Error Counting Period if:-

(i) it is a Transaction Error in a Transaction carried out during that Data Error Counting Period; or

(ii) it is a Cash Account Error or Inaccurate Cash Account (Data Error) for the Cash Account Period (if any) which is co-terminus with that Data Error Counting Period.

3.6.1.3 For the purposes of the definitions of Cash Account Period and Data Error Counting Period a day shall mean a period of 24 hours ending at 8.00 p.m.

3.6.2 Classification of Incident Types

Each of the incident types listed in the table in Annex 1 to this Schedule G01 is classified in the column of that table headed "Incident Classification" by one of the following designations:-

"A" = a Transaction Error which is also an Inaccurate Cash Account (Data Error);

"B" = a Transaction Error which is also a Cash Account Error;

"C" = a Transaction Error which is neither an Inaccurate Cash Account nor a Cash Account Error;

"D" = an Inaccurate Cash Account (Data Error) which is not a Transaction Error;

"E" = a Cash Account Error which is not a Transaction Error;

"F" = a Not Data Error; and

"G" = an incident which is treated by the parties as a Not Data Error.

3.6.3 Detection of Errors

The Contractor shall duly apply throughout the term of this Codified Agreement all of the defensive measures and checks described in the Annex to this Schedule G01 in order to detect Data Errors and Not Data Errors. Such defensive measures and checks will be applied with the frequency indicated in the said Annex. All Data Errors and Not Data Errors detected (by the Contractor or otherwise and whether or not by application of such defensive measures and checks) shall, subject to paragraph

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3.6.4 below, be dealt with in accordance with the remaining sub-paragraphs of this paragraph 3.6.

3.6.4 Widespread Errors

3.6.4.1 As soon as the Contractor discovers, whether through calls received at the Help Desk or otherwise, that there are or are likely to be Data Errors or Not Data Errors affecting cash accounts at more than 100 Outlets in any one Cash Account Period then the Contractor shall immediately:-

(a) notify POCL in accordance with procedures described in the CCD entitled "TPS Reconciliation and Incident Management" (CS/PRO/111); and

(b) comply with those provisions of that CCD which shall be inserted by reference to this paragraph 3.6.4.

3.6.4.2 Upon the Contractor's giving notice in accordance with paragraph 3.6.4.1(a) the remaining provisions of this paragraph 3.6 (other than paragraphs 3.6.4.3 and 3.6.4.4 below) shall cease to apply in relation to such Data Errors and Not Data Errors.

3.6.4.3 Subject to paragraph 3.6.14 below, the Contractor shall promptly reimburse to POCL all costs reasonably incurred by POCL in correcting any Data Errors to which paragraph 3.6.4.1 applies.

3.6.4.4 POCL shall promptly reimburse to the Contractor all costs reasonably incurred by the Contractor in correcting any Not Data Errors to which paragraph 3.6.4.1 applies.

3.6.5 Data Errors discovered before transmission

3.6.5.1 Subject to paragraph 3.6.5.4 below, if the Contractor discovers a Transaction Error which is a Data Error prior to the relevant record being transmitted by the Contractor to POCL over the TIP interface, then the Contractor shall not transmit the relevant record but shall retain it and:

a) correct the Transaction Error in the relevant record;

b) transmit the Repaired Transaction Data to POCL over the TIP interface; and

c) promptly issue a report to POCL in an agreed format containing an explanation of the correction made.

3.6.5.2 If the Contractor discovers any Data Error resulting in an Inaccurate Cash Account (Data Error) prior to the relevant record being transmitted by the Contractor to POCL over the TIP interface then, notwithstanding the presence of such error, the Contractor shall transmit the relevant record to POCL over the TIP interface and thereafter either:-

(a) with POCL's agreement (such agreement not to be unreasonably withheld) promptly correct the Data Error in the relevant cash account, transmit the Repaired Cash Account over the TIP interface (without prejudice to paragraph

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3.6.6.4 below) and issue a report to POCL containing an explanation of the correction made; or

(b) promptly issue to POCL a Manual Error Report in respect of that Data Error.

3.6.5.3 Subject to paragraph 3.6.5.4 below, if the Contractor discovers any Cash Account Error resulting from a Data Error prior to the relevant record being transmitted by the Contractor to POCL over the TIP interface, then the Contractor shall not transmit the relevant record but shall retain it and:

(a) correct the Data Error in the relevant cash account;

(b) transmit the Repaired Cash Account to POCL over the TIP interface; and

(c) promptly issue a report to POCL in an agreed format containing an explanation of the correction made.

3.6.5.4 The Contractor may, instead of retaining and repairing records in accordance with paragraphs 3.6.5.1 and/or 3.6.5.3 above, promptly issue to POCL Manual Error Reports for up to a total of 50 Data Errors relating to any Data Error Counting Period (or such higher limit as the parties may agree).

3.6.6 Data Errors discovered after transmission

3.6.6.1 Where a Data Error shall not have been discovered before transmission of the relevant record to POCL over the TIP interface, but is subsequently discovered, the provisions of paragraphs 3.6.5.1 and 3.6.5.3 above shall not apply to such Data Error. Instead the Contractor shall either:

(a) with POCL's agreement (such agreement not to be unreasonably withheld), correct the Transaction Error or, as the case may be, the Data Error in the relevant cash account, transmit the Repaired Transaction Data or (without prejudice to paragraph 3.6.6.4 below) Repaired Cash Account to POCL over the TIP interface and promptly issue a report to POCL containing an explanation of the correction made; or

(b) promptly issue to POCL a Manual Error Report in respect of that Data Error.

3.6.6.2 If the number of Data Errors which are discovered after the transmission of the relevant record exceeds twenty in any Data Error Counting Period the Contractor shall, in consultation with POCL, review the process introduced by the Accounting Integrity Control Release with a view to enhancing such process in order to detect the relevant Data Errors prior to transmission of the relevant records and to identify and correct root causes of such errors.

3.6.6.3 Any Data Error processed by the Contractor under paragraph 3.6.6.1(b) above which shall have been discovered after transmission but before the conclusion of the Data Error Counting Period to which it relates shall count towards the 50 per Data Error Counting Period limit under paragraph 3.6.5.4 above. However, where a Data Error is discovered after transmission and after the conclusion of the Data Error Counting Period to which it relates the Contractor shall be entitled, without thereby being in

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breach of paragraph 3.6.5.4 above, to submit a Manual Error Report in respect thereof in accordance with paragraph 3.6.6.1(b).

3.6.6.4 Where paragraph 3.6.5.2(a) or 3.6.6.1(a) above applies, the Contractor's obligation to transmit a Repaired Cash Account may be satisfied by transmitting such part of the Repaired Cash Account as is necessary to correct the Data Error concerned, provided that such transmission complies with the requirements of the CCD entitled "Pathway to TIP Application Interface Specification".

3.6.7 Not Data Errors

The Contractor shall, promptly following discovery of any Not Data Error, issue a report to POCL (in the same format as a Manual Error Report) containing a brief description of the Not Data Error to the extent that it can be identified and shall co-operate with POCL and, to the extent that is reasonable, assist POCL (a) to investigate and seek to prevent the recurrence of such Not Data Error and (b) to prevent the production of Cash Accounts which are incorrect as a result of such Not Data Error.

3.6.8 General Provisions

3.6.8.1 The Contractor undertakes to use all reasonable endeavours, in accordance with the procedures defined in the CCD entitled "TPS Reconciliation and Incident Management" (CS/PRO/111), to notify POCL of the discovery of a Data Error or Not Data Error on the same day on which such Data Error or Not Data Error is discovered and shall in any event notify POCL thereof on the morning of the Working Day next following the date on which it is discovered.

3.6.8.2 The Contractor undertakes to use all reasonable endeavours to ensure that:

a) the delay between the occurrence of a Data Error (or in the case of a Data Error detected after the transmission of the relevant record, its detection) and (a) the issue of a Manual Error Report in respect thereof to POCL or (b) transmission of the Repaired Transaction Data or (without prejudice to paragraph 3.6.6.4) Repaired Cash Account to POCL over the TIP interface; or

b) the delay between discovery of a Not Data Error and the issue of a report to POCL in relation thereto under paragraph 3.6.7 above

shall not in any such case exceed five working days.

3.6.8.3 Where any such delay as is referred to in paragraph 3.6.8.1 has exceeded, or the Contractor believes that it is likely to exceed, five days, the Contractor shall immediately notify POCL's Head of Service Management and shall procure that the Contractor's Customer Service Director (or, in his absence, his deputy) is made available to meet with POCL's Head of Service Management (or his delegate) to discuss the delay within two working Days of such notification.

3.6.8.4 Where the Contractor provides Manual Error Reports it shall provide a separate Manual Error Report for each Data Error discovered. For this purpose, where a

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single error in a cash account is manifested in more than one place in that cash account it shall be treated as a single Data Error, but two or more different errors in the same cash account shall be treated as different Data Errors, each requiring a separate Manual Error Report.

3.6.8.5 Where the Contractor is required to make an assumption in order to correct a Data Error and/or present Repaired Transaction Data or a Repaired Cash Account, the Contractor shall make such assumption and promptly inform POCL of the assumption made.

3.6.8.6 The Contractor shall pay to POCL within 30 days after the end of each month a sum to compensate POCL for its costs in dealing with Manual Error Reports for Data Errors as follows:

i. £150 per Manual Error Report relating to a Transaction Error discovered after transmission of the relevant record;

ii. £100 per Manual Error Report relating to a Transaction Error discovered before transmission of the relevant record;

iii. £100 per Manual Error Report relating to a Cash Account Error discovered; and

iv. £100 per Manual Error Report relating to an Inaccurate Cash Account (Data Error)

in that month. Clause 802 of the Codified Agreement shall apply to such payments as though they were liquidated damages for failure to meet Service Levels.

3.6.8.7 For the purposes of calculating any sum which may be due to be paid to POCL under paragraphs 3.6.4.3 or 3.6.8.6 all Data Errors which shall have been corrected by the Contractor and the relevant Repaired Transaction Data or (without prejudice to paragraph 3.6.6.4) Repaired Cash Account transmitted to POCL over the TIP interface within five Working Days of such Data Error occurring shall be excluded and no payment shall be made to POCL in relation to such Data Errors.

3.6.8.8 For such period (if any) following discovery of any error or inaccuracy during which there is insufficient information for the Contractor to determine whether such error or inaccuracy constitutes, or gives rise to, a Data Error or a Not Data Error, such error or inaccuracy shall, for the purposes of any action to be taken under paragraphs 3.6.5 to 3.6.7 (inclusive) above but not otherwise, be treated as a Data Error.

4. GENERAL POCL INFRASTRUCTURE REQUIREMENTS

4.1. INTRODUCTION

4.1.1. This section contains characteristics common to more than one element of the POCL Infrastructure Services. [extrapolation]

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4.2. LINKS FROM OPS TO TMS

4.2.1. General

4.2.1.1. Each instance of OPS within Outlets shall interface with TMS to allow the transfer, in both directions, of authorised data files and messages. [R467]

4.2.1.2. The transfer of data between OPS and TMS shall be secure, complete, accurate and robust. [R467]

4.2.1.3. Within OPS it shall be possible for OPS to identify whether data from OPS have been received by TMS or not. [R467]

4.2.2. Data Replication

4.2.2.1. The Contractor shall use data replication and synchronisation techniques to ensure that data transfer between Counter Positions at which OPS is provided and between instances of OPS at each Counter Position and the TMS are secure, complete, accurate and robust. [S467]

4.2.2.2. Once a Transaction has been settled at a Counter Position, TMS shall commit the full Transaction details to that Counter Position PC's message store.. The Transaction details shall simultaneously be automatically replicated to all other PCs in the Outlet so that the data are securely captured. In addition, the Contractor shall automatically replicate Transaction details to a remote server at which TMS is provided. [S467]

4.2.2.3. The OPS PCs and TMS servers are known as "nodes". [S467]

4.2.2.4. All data and message transfers from a single node shall be generated in a strict numbered sequence with a unique node identification. Any attempt to introduce a fraudulent message shall be automatically detected and rejected by OPS. [S467]

4.2.2.5. An additional pseudo random sequence number produced from a cryptographic algorithm can also be included to provide a very high level of message integrity as agreed between the parties from time to time, such agreement not to be unreasonably withheld. Details of the use of the cryptographic algorithm are contained in the "Security Functional Specification". [S467]

4.2.2.6. Data and message transfers shall be resilient to either network or node failure. When the failure condition is resolved the nodes shall automatically synchronise and complete any data or message transfers that are required to ensure these nodes are in a consistent state. [S467]

4.2.3 Data Integrity

4.2.3.1 The Contractor shall use techniques to ensure data integrity within the OPS and as part of data/message transfer between OPS and TMS, including:

- Cyclic redundancy checks shall be calculated for all journal records, including Reference Data;

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- Digital signatures shall be used for all data where assurance of content and source are required;

- Data encryption used selectively on certain data fields. [4.1.4.2.3.4.2 / S467]

4.2.3.2 All messages and data shall have a cyclic redundancy check applied when they are initially committed to the journal and this shall be checked every time the message or data is accessed. This shall protect against accidental corruption and casual tampering. Any failure of a cyclic redundancy check shall cause the message to be rejected and retrieved from alternate nodes. [S467]

4.2.3.3 In the event that nodes fail, recovery shall take place in accordance with the CCD entitled "Post Office Site Failure Contingency Procedures" and sections 4.1.5.2 and 4.1.6 of the SADD.

4.2.3.4 Where POCL requires the origin of data to be authenticated, the Contractor shall apply a digital signature to the data prior to transmission and shall then check it upon receipt. Digital signature techniques and the data to which they are applied shall be described in the "Security Functional Specification" referenced in Schedule B03. [S467].

4.2.3.5 The Contractor shall automatically detect any attempt to alter data and shall log such attempts for subsequent investigation by the Contractor. Details of all such attempts shall be passed to POCL. [S467]

4.2.4 Recovery

4.2.4.1 The Contractor shall perform general recovery processes as specified in "Post Office Site Failure Contingency Procedures". The Contractor shall perform TMS recovery processes as specified in the "Service Architecture Design Document" referenced in Schedule B03. [4.1.4.1.1.2]

4.2.4.2 The PC in all single Counter Position Outlets shall be fitted with a single exchangeable hard disk to facilitate rapid exchange of systems and Transaction data in the event of a system failure other than a hard disk failure. [4.1.4.1.1.2]

4.2.5 Messaging

4.2.5.1 Using TMS and OPS the Contractor shall provide a broadcast facility which shall enable messages of around 2,000 bytes to be sent to all or a subset of Outlets from a central location. The message shall be input into an application running on the central servers used to provide TMS and shall be replicated to Outlets as required. [R471]

4.2.5.2 TMS and OPS shall have the capability to be developed to allow, subject to change control, Users working in the Outlets to gain access to information held electronically on the POCL Service Infrastructure such as is from time to time published in 'Counter News' and POCL operations manuals. [R471]

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4.2.6 Agreement to offer POCL services using the POCL Infrastructure

4.2.6.1 Third party services which utilise the POCL Infrastructure Services shall only be provided subject to the agreement of POCL. [R464]

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5. SYSTEM MANAGEMENT SERVICE

5.1. Purpose

5.1.1. This Section details the Systems Management Service which the Contractor shall provide. [extrapolation]

5.1.2. The Contractor shall provide the System Management Service in accordance with the applicable Service Levels set out in Schedule G10. [extrapolation]

5.2. Overview

5.2.1. A Systems Management function shall be deployed based on a central service delivery capability, able to interact with each of the Outlets. [4.2.2.1]

5.2.2. The Contractor shall carry out system management of all POCL Services in a consistent and coherent manner. The activities within each POCL Service shall be co-ordinated such that, for example, changes and faults can be tracked across POCL Service boundaries. [R537]

5.2.3. Changes to the POCL Services shall be made speedily and accurately. [R537]

5.2.4. System Management facilities shall include, without limitation: [S537]

- Software repository - the storage and maintenance of records identifying what software versions are stored on what machines;
- Software distribution - the scheduling of software upgrades to a defined set of machines;
- Event management - the notification of significant Events to a central source;
- Asset management - the storage and maintenance of information on the existence and type of machines and associated peripherals;
- Configuration Management - the non-static configuration parameters that drive the Applications and operating system [S537];
- PIN Pad monitoring – the Contractor's system management service provided in respect of the Existing Services shall provide routine monitoring of PIN Pads for occurrence of events such as low battery in the PIN Pad [PPR029].

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5.3. General Service description

5.3.1. Synchronisation Of Time

5.3.1.1. All system data, including date and time, shall be consistent. The Systems Management Service shall interrogate all servers to check for a consistent date/time. This shall cater for the handling of clock changes at the beginning and end of British Summer Time for example. [S538]

5.3.1.2. The Contractor shall provide a facility to allow Transactions to be processed using local time and / or GMT, thus all the relevant areas of the POCL Service Infrastructure shall be able to derive both local time and GMT. [R538]

5.3.2. Reference Data handling

5.3.2.1. The Contractor shall maintain and process Reference Data necessary to the operation of the POCL Service Infrastructure and the POCL Services. [R539]

5.3.2.2. The Contractor shall receive, store and utilise Reference Data from sources outside of the Contractor domain, as defined in the "Application Interface Specification Reference Data to Pathway", "Application Interface Specification Reference Data to Pathway Type B Data" for the applicable Release and " Pathway to Post Office Technical Interface Specification". [R539]

5.3.2.3. The Contractor shall support and maintain both system and application related Reference Data for an Outlet. System related Reference Data comprises information that relates to the state of the Outlet and its associated software base (e.g. Event management details, software version numbers). Application related Reference Data comprises information that relates to particular Transactions. (e.g. price of a stamp, check digit algorithm for an AP Client). [S539]

5.3.2.4. The Contractor shall provide functions required to store and maintain Reference Data and to manage its distribution and activation. The Contractor shall provide asset and configuration database(s) which shall provide a central logical view of which elements of the POCL Service Infrastructure are associated with which versions of various files, including Reference Data. The Contractor shall use rigorous change management processes to control the rate and nature of changes to the Software inventory, provided by the Contractor, and these shall involve a co-ordinated approach with the originator of any external data including POCL and external Clients. [S539]

5.3.3. Release control

5.3.3.1. The following shall be approved by POCL before any Release, this approval not being unreasonably withheld: [R476]

a) the contents of any Release;

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b) the upgrade path for any Release;

c) the timing of the distribution of any Release;

d) the timing of the activation of any Release. [R476]

5.3.3.2 In respect of each Release the Contractor shall provide a release plan, for agreement by the parties prior to the Release, documenting how the parties intend the Release be deployed in Outlets and assessing the risk to and impact on the POCL Services. The release plan shall include details of the matters referred to in paragraph 5.3.3.1. (a) to (d) of this schedule together with details of agreed timescales or periods (if any) during which the Contractor may revert to the previous Release. The parties acknowledge that during deployment of most Releases, there is a point beyond which it is impractical to revert to the previous Release and, accordingly, the release plan will also document the parties agreement on the stage at which this point will arise (if at all).

5.3.3.3 The Contractor shall provide proof of sufficient and satisfactory pre-testing of each Release before any Release is distributed, including the following aspects: [R476]

a) at individual component (unit test) level;

b) of all components of the Release, both changed and unchanged, working together (system test);

c) of all components in combination with different Hardware and Software combinations which may be encountered when the Release is in live, non-training, use hereunder. [R476].

Such testing shall be carried out in accordance with the CCDs "General Testing Policy" (VI/POL/001) and "Testing and Integration Strategy" (VI/STR/001).

5.3.3.4 The Contractor shall provide proof of sufficient and satisfactory preparation for the implementation of a Release. This shall include testing the implementation, reversion, regression from the Release, and the support of any testing by POCL. [R476]

5.3.3.5. The Contractor shall be permitted to suspend availability in Outlets of the NBS and/or any of the Existing Services outside the POCL Core Day, at such times and for such periods of time as agreed in advance with POCL (such agreement not to be unreasonably withheld) in connection with implementation in Outlets of each major Release.

5.3.3.6 Subject to paragraph 5.3.3.5., the implementation of any Release shall not cause any significant disruption to Users, shall not disrupt the normal working environment of Users and shall not require significant involvement from Users. [R476]

5.3.3.7. The implementation of any Release shall not cause any corruption to data held by or on behalf of POCL. [R476]

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5.3.3.8 The Contractor shall maintain a detailed record of all Releases and where they are deployed. [R476]

5.3.4. Asset register

5.3.4.1. The Contractor shall provide and maintain a detailed list of all physical components installed at Premises (an asset register) and make it available to POCL on request. [R477]

5.3.4.2. The asset register shall identify all of the Equipment which is installed at each Outlet and shall be available to POCL. [R477]

5.3.4.3. The asset register shall contain operational information that shall support the management and control of both Roll Out and POCL Operational Services. Including, inter alia: [S477]

- site address and contact information;
- site implementation status details;
- system configuration details;
- Equipment types and serial numbers;
- Software versions;
- Applications versions. [S477]

5.3.4.4. The asset register shall be an integral part of the MIS. [S477]

5.3.4.5. The Asset Register shall be available for enquiries by Help Desk staff as necessary in responding to queries and calls from the Outlets. It shall be updated promptly when any new Equipment is installed in an Outlet or when new or updated Software is distributed and installed. [4.2.2.1.3]

5.3.4.6. The Asset Register shall employ SQL technology and shall be extensible to cope with any new Hardware/Software objects/attributes deployed in response to future POCL needs. [4.2.2.1.3]

5.3.5. Software Distribution

5.3.5.1. Software distribution facilities shall be provided by the Contractor which shall enable Software files and installation scripts to be distributed across the ISDN, ISBN generally referred to as VSAT (Very Small Aperture Terminal) and frame relay network, part of the POCL Service Infrastructure, to a specific Outlet, all Outlets or a group of Outlets selected according to one or more particular attributes. [4.2.2.1.4]

5.3.5.2. The distribution process shall separate the transfer of Software and its subsequent installation, which shall be controlled from the installation script associated with the

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Software package. This shall enable the installation process to take effect at a particular date or time. [4.2.2.1.4]

5.3.5.3. The Contractor shall enable the distribution to a specific PC within an Outlet, but this will not be the normal mode of operation. [4.2.2.1.4]

5.3.6. Configuration Management for Outlets

5.3.6.1. The configuration details to be installed in each Outlet shall be maintained on a central server. The Contractor shall access these details during Roll Out to down-load the precise configuration (specific Software and Reference Data) applicable to each particular Outlet and install the file set on all or a subset of PCs within the Outlet. [4.2.2.1.5]

5.3.6.2. Configuration details shall also be available after completion of Roll Out to support Equipment replacement at an Outlet in situations where configuration details cannot be loaded from a local PC (typically at single Counter Position Outlets). [4.2.2.1.5]

5.3.7. Network Management

5.3.7.1. Network Service Infrastructure management shall be run from a central service providing facilities for reporting and diagnosing network events, consolidation and interrogation of statistics and controlling the configuration and parameter settings on network devices. [4.2.2.2]

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6. HORIZON SYSTEM HELPDESK SERVICE

6.1. General

6.1.1. The Contractor shall provide the Horizon System Helpdesk service which shall be, except as otherwise provided in this Codified Agreement, the first point of contact for Customers of the POCL Services. Customers include both POCL staff and staff of POCL Clients having a direct interface with the POCL Services. [R914]

6.1.2. The Horizon System Helpdesk shall:

a) act as a central point for information on the working state of the POCL Services;

b) keep customers notified of any scheduled interruptions;

c) assist in any negotiations with POCL where interruptions to the POCL Services provided are scheduled;

d) keep POCL informed of when the POCL Service will be restored. [R914]

6.1.3. The Contractor shall also provide the facility to receive redirected calls from POCL help desks and helplines. [R914]

6.2. Appropriate Levels of Support Service

6.2.1. The Contractor shall provide appropriate levels of support services:

a) to all Users who have access to the POCL Service Infrastructure;

b) to cover the operation of interfaces with the POCL Service Environment;

c) to provide support for all other help desks linked to the Horizon System Helpdesk facility provided by the Contractor. [R523]

6.3. Levels of Service

6.3.1. First Level Service

6.3.1.1. The first level Service shall provide an immediate problem solving service for all simple and straightforward problems, which can be resolved within five (5) minutes, and all general enquiries. [R914]

6.3.1.2. The first level member of staff who takes the call owns the problem from initial logging through to resolution to the customer's satisfaction. The Contractor shall cater for first level members being off duty. [R914]

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6.3.2. Second Level Service

6.3.2.1. The second level Service shall provide a diagnostics and fixing service for all problems which cannot be fixed within five (5) minutes by the first level Service, but which can be resolved within thirty (30) minutes. [R914]

6.3.2.2. Calls shall be referred electronically from the first level Service to the second level Service. Second level staff shall have access to a prioritised list of outstanding problems, and all the details on the problem entered by first level staff. [R914]

6.3.3. Third Level Service

6.3.3.1. If the Horizon System Helpdesk is unable to resolve a problem at the first or second level the Contractor shall categorise and prioritise the problem so that it can be actioned and completed within a standard timescale. [R914]

6.4. Problem Management

6.4.1. The Contractor shall provide a problem management system to record the problem details such as (but not exclusively):

a) unique problem serial reference, generated automatically by the problem management system;

b) customer contact, address, location and telephone number;

c) date and time problem occurred;

d) date and time problem was reported to the Horizon System Helpdesk;

e) Horizon System Helpdesk contact;

f) description of the problem, including frequency of occurrence;

g) serial references of similar faults and previous occurrences;

h) Hardware Equipment involved; serial number etc.;

i) Software product and release version;

j) assessed impact on customers business;

k) priority for solution;

l) problem category;

m) estimated elapsed time to solve problem;

n) any change of referral point;

o) date and time of referral. [R914]

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6.4.2. The Contractor shall update the problem management system with the following information, as appropriate:

a) date and time of update;

b) Horizon System Helpdesk contact updating record;

c) textual description of the work done, or the fact that the problem had to be referred elsewhere, and who has taken it on;

d) date and time problem was cleared;

e) date and time the solution was accepted by the customer;

f) actual elapsed time to solve problem. [R914]

6.4.3. The Contractor shall also keep a record of all problems relating to the failure of uploading and downloading data. [R914]

6.4.4. The Contractor's first level Service staff shall assign a priority to the problem. [R914]

6.4.5. Throughout the life of the problem the Contractor staff shall monitor the progress of the problem and inform the customer at regular intervals, to be agreed with POCL by a date consistent with the Project Plan. This shall also apply to second and third level Services. [R914]

6.4.6. The Contractor shall manage the resolution of any problem using procedures which are defined in the document Horizon System Helpdesk PPD. [R914]

6.4.7. A problem can only be cleared when a customer has confirmed satisfaction with the resolution. [R914]

6.5. Systems and Services Supported

6.5.1. The Contractor shall maintain User, asset, problem and change management databases. [R914]

6.6. Resilience

6.6.1. The Contractor shall be responsible for ensuring that a contingency plan is in place to cater with any Horizon System Helpdesk Incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management system. The contingency plan is to be agreed with POCL by a date consistent with the Project Plan and shall state how quickly the POCL Service will be restored in the event of an Incident. [R914]

6.7. Training

6.7.1. For Roll Out the Contractor shall provide training as defined in the Training and User Awareness Baseline Document (reference BP/TRN/001) to ensure POCL staff work

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effectively with the Horizon System Helpdesk. The Contractor shall develop and implement training plans for its own staff. [R914]

6.8. Personnel

6.8.1. The Contractor shall ensure that all staff, including back-up staff, employed on the Horizon System Helpdesk Service have suitable and appropriate skills and training. The Contractor shall ensure that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the Contractor's organisation. [R914]

6.9. Service Monitoring

6.9.1. The Contractor shall produce POCL Service information, in electronic form and/or paper, and shall deliver this information to POCL within two (2) POCL Core Days of the end of the period to which they relate. The following is an example of the information required:

a) number of calls outgoing/received/number of calls not answered;

b) percentage of calls answered within target times;

c) number of problems/queries logged;

d) number and percentage of problems/queries solved within target times;

e) number of problems / queries assigned to first level that were not cleared within ten (10) minutes;

f) number of problems/queries with secondary complications (e.g. repeat calls);

g) number of problems/queries escalated;

h) percentage of time full Horizon System Helpdesk Service was available;

i) Contractor performance against Service Levels for response;

j) POCL Service availability at each Outlet. [R914]

6.9.2. POCL may wish to analyse the information by:

a) category of operational problem/query;

b) level and solving group at which the problem/query was solved;

c) customer group and location;

d) mean time to closure. [R914]

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6.9.3. The Contractor shall retain Horizon System Helpdesk records for a minimum of eighteen (18) months. [R914]

6.9.4. Each quarter a survey shall be conducted by POCL to determine User satisfaction with the Horizon System Helpdesk Service. The approach to be taken and the format and content of the questionnaire shall be discussed between the Contractor and POCL at the quarterly Service Management Review meetings. [R914]

6.9.5. The Contractor shall, on request, provide on-line access to the problem management system. POCL shall inform the Contractor of who is authorised to access the system. The Contractor shall provide ad hoc reports, as requested by POCL, within three (3) POCL Core Days. [R914]

6.10. Horizon System Helpdesk Availability from Day One

6.10.1. The Contractor shall ensure that all the support Services shall be available before activation of the POCL Service Infrastructure in each POCL Premises in line with the Service Levels, except that the Contractor shall not be required to provide support Services that are specific to PIN Pads in Outlets at which PIN Pads are not installed. [R520]

6.11. Horizon System Helpdesk Services Single Point of Access

6.11.1. The Contractor shall provide one telephone number as a single point of access to all Horizon System Helpdesk Services. [R521]

6.12. Horizon System Helpdesk Telephone Number

6.12.1. The Horizon System Helpdesk contact point for POCL Users shall be a local rate telephone number. [R522]

6.13. Horizon System Helpdesk POCL Service INFRASTRUCTURE Support

6.13.1. The Horizon System Helpdesk Service shall deal, without limitation, with calls relating to the POCL Service Infrastructure. This shall include, but is not exclusive to:

a) fault diagnosis;

b) maintenance call out;

c) caretaking advice;

d) configuration management. [R524]

6.14. Horizon System Helpdesk Additional Support Services

6.14.1. The Horizon System Helpdesk shall be able to provide access for Users to additional support Services (including training facilities, training materials for Existing

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Services, operational support documentation, and, if POCL contracts to procure consumables from the Contractor, consumables) by the commencement of Roll Out and shall provide such access thereafter when requested to do so by POCL. [R525]

6.15. Horizon System Helpdesk Resolution of Reported Incidents

6.15.1. All reported Incidents shall be resolved in line with Service Levels in Schedule G10. [R526]

6.16. Horizon System Helpdesk availability

6.16.1. A dedicated Horizon System Helpdesk staffed by fully trained, qualified and experienced personnel shall be provided working to Service Levels in Schedule G10. [R527]

6.17. Horizon System Helpdesk Re-Routing of Calls

6.17.1. Calls made to the Horizon System Helpdesk that are not pertinent to it shall be re-routed to the appropriate point. [R528]

6.18. Help Desk Compliance with POCL Help Service Behavioural Standards

6.18.1. The Horizon System Helpdesk Service shall comply with agreed help service behavioural standards. [R529]

7. MESSAGE BROADCAST SERVICE

7.1. Purpose

7.1.1. This section details the functions and capabilities provided by the Message Broadcast Service (MBS) that shall be provided by the Contractor.

7.1.2. The Contractor shall provide the MBS in accordance with the applicable Service Levels set out in Schedule G10.

7.2. Overview

7.2.1. The MBS shall provide the capability for sending text messages from a central location to Outlets, including the ability to target selected Outlets and user groups within those outlets.

7.3. Service Boundaries

7.3.1. Message submission

7.3.1.1. POCL shall pass to the Contractor messages and control information with each message for broadcast to appropriate Outlets. The maximum length of a single message shall be 1670 characters (excluding control information), and no message

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shall include the restricted characters described in ("CCD to be identified"). The control information with each message shall include:

a) title (up to 18 characters, including embedded spaces);

b) priority (high or low);

c) retention period (10 to 37 days);

d) selected Outlets (these may be specified by region, Outlet type or FAD code);

e) selected user group (Migrate, Manager, Supervisor, Clerk, Auditor or Auditor - Emergency Manager) or "ANY" meaning all users. For the avoidance of doubt, "ANY" does not include users ENGINEER, SUPPORT & SETUP which are not part of the Message Broadcast service available to POCL.

7.3.1.2. The Contractor shall provide a daily report of Outlets, which may have been unable to receive messages during that day.

7.3.1.3. The process for message submission and return of the daily report shall be as specified in "*CCD to be identified*", which includes the process for the Contractor's use of the MBS.

7.3.2. Reading messages in an Outlet

7.3.2.1 Authorised users shall be able to access messages delivered to an Outlet from any counter position for the period defined by the message's retention period (as defined in 7.3.1.1 (c) above. Only users who are members of the user group defined for each message (see 7.3.1.1 (e) above) will be able to access any part of that message. Messages shall be deleted from the Outlet once their retention period has expired.

7.3.2.2. When a user of an appropriate user group is logged onto the OPS and a message is stored for that user group the OPS shall indicate that a message is available.

7.3.2.3. The OPS shall allow an authorised user to view the messages stored for those groups of which the user is a member. When viewing a message the user shall be informed of the creation date of the message, its priority and whether that message has been displayed for that user previously. When the message window is activated, the messages shall be displayed in the sequence:

a) never previously displayed, high priority;

b) never previously displayed, low priority;

c) previously displayed, high priority;

d) previously displayed, low priority;

and, if necessary, the user shall be able to scroll backwards or forwards to view each message in turn. New messages arriving whilst the message window is active will be appended to the top of the list regardless of priority.

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7.3.2.4. The user shall be able to print any message on the counter printer.

7.3.2.5. Full details of how the user shall operate the OPS to read broadcast messages shall be as set out in the CSR+ Operating Environment PPD.

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ANNEX - ERROR MATRIX

Incident					Defences (See note(6))			AIC Detection (See note (7))					
Pathway Incident No.	TIP Incident Number	Incident Types	Incident Classification	SEE NOTE	Root cause fix (in place or intended)	Preventative code	Harvester record rejection	By daily checks at counter	Reported daily by Harvester	By daily checks at Host	By weekly checks at counter	By weekly checks at host	By weekly Receipts not equal to Payments check
Part A		Incidents as listed in TIP Incident Status Report as at 20th Oct 1999											
A1	821	Deleted stock unit ("SU")	C			Y	Y	Y	Y	Y			
A2	846	SU double roll	A			Y					Y		Y
A3	855	Missing mode – Reversal	C		Y		Y	Y	Y	Y			
A4	856	New SU	D		Y						Y		Y
A5	857	SU Name with blank first character	D			Y					Y		Y
A6	858	Missing timestamp	C		Y	Y	Y	Y	Y	Y			
A7	866	Product deleted with current transactions	D		Y	Y					Y		Y
A8	869	Missing mode - OBCS suspend	C		Y		Y	Y	Y	Y			
A9	873	Missing mode – scales	C		Y		Y	Y	Y	Y			
A10	889	Replication recovery	C		Y					Y	Y		
A11	909	Fee migration correction error	F	(4)	Y		Y	Y	Y	Y			
A12	873	Corrupt .dll files on L32 migration	A	(1)		Y							Y
A13	910	Multiple simultaneous roll-over	A			Y					Y		Y
A14	919	OBCS swipe permitted in invalid mode	C		Y			Y					
A15	913	Signage issue on interface	G	(5)	Y								
A16	892	Missing mode - unassigned cause	C		Y		Y	Y	Y	Y			
Part B		New incidents											
B1	935	Negative sign on Transaction numbers	C		Y	Y	Y		Y	Y			
B2	940	Settlement of the Reversal of the settlement of a stock adjustment	G	(5)	Y								
B3	951	Incorrect recording of stock transfer transactions (and consequences)	A				Y		Y	Y	Y		Y
B4	961	Missing cash account because of null cash account ID	G	(3)	Y	Y					Y		
B5	934	Reference Data Error on product 196	G										
B6	939	Invalid ITM	C			Y		Y					

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Incident					Defences (See note(6))			AIC Detection (See note (7))					
Pathway Incident No.	TIP Incident Number	Incident Types	Incident Classification	SEE NOTE	Root cause fix (in place or intended)	Preventative code	Harvester record rejection	By daily checks at counter	Reported daily by Harvester	By daily checks at Host	By weekly checks at counter	By weekly checks at host	By weekly Receipts not equal to Payments check
B7	943	Migration of erroneous ECCO transfer transaction	F										
B8	963	APS reversal txns with missing O-mode	C		Y		Y	Y	Y				
B9	936	Missing primary mappings in ref data.	F							Y			Y
B10	949	Cash account with zero values	E		Y	Y					Y		
B12	983	Transfer Out transaction within a DDN session	C	(2)							Y		Y
B13	984	Problem with persistent object index updates	D		Y			Y			Y		Y
B17	1003	Deletion of non-core ref data	F	(8)						Y			Y
B18	1007	Global Objects version issue	D									Y	Y
B20	1002	Volume only transaction in deleted SU	D			Y	Y	Y	Y	Y			
B21	1015	Partial transfer	D								Y		Y
B22	998	Field size problem	C			Y	Y		Y	Y			
B23	1028	Message insertion issue (duplicates A11)	F	(4)	Y		Y	Y	Y	Y			
B24	965	Apparent discrepancies in "week 2"	G	(9)									
B25	N/A	Migration of incorrect office B/F balance	F										Y
B26	974	Replication timing problem	D								Y		
B27	1036	Transaction input by User to wrong week	F								Y		

NOTES

General – Interpretation of the above matrix

The columns headed 'Incident' define the incidents which the Defences and AIC Detection are designed to address.

Each of the TIP Incident Numbers refers to the incident number given to the first occurrence of the incident of that type.

The columns headed 'Defences' summarise the defences which have (or will be) put in place to deal with the relevant incidents. In some cases it will be seen that there is more than one category of defence. These are additive layers of system resilience, and should be interpreted as follows:

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If there is a root cause fix, then defensive code, if also present, would not be exercised unless either the root cause fix was found in some circumstances to be ineffective or another hitherto undiscovered root cause caused the same symptom. Taking for example A6, the cause of the missing timestamp underlying the reported incident has been fixed, and so the second defence (the repair of the defective record by the harvester) is inactive, but would be activated by some new "bug" which also caused a missing timestamp.

The harvester rejection is described as a defence because it prevents defective records reaching TIP. If there is either a root cause fix or defensive code executed at the desk top then the harvester will not reject the record, as records reaching the harvester will be correct. The harvester would reject the record if the fix failed (and indeed for most transaction errors did originally reject the records, which was how the error was detected by TIP).

The columns headed 'AIC detection' set out the reaction the AIC would have made to the various categories of reported errors had it been active at the time. Where these errors have been either fixed or defended against the AIC will of course not now have anything to detect. The third defence, harvester rejection, itself causes AIC detection, as quite apart from anything else which the AIC may have detected it will now also detect that a record which was present at the counter has not reached the host.

Specific – bracketed numbers in table refer

1. This bug resulted in transactions not being generated. The transactions which were in the message store were correctly brought to account.
2. The underlying incident is now understood and can be reproduced. The error does not occur in the CSR+ code and work continues to understand how to resolve the issue in the current code.
3. This incident type may result in a failure of the service level referred to in paragraph 3.1 of Schedule G10 but is not a Data Error as the relevant data are rejected at the TIP interface.
4. Root cause was a migration error. The reported error is the secondary effect of the centrally introduced migration correction not being harvested to TIP, although the cash account was corrected as requested by POCL.
5. Root cause was incomplete definition of signage agreed between Pathway and TIP, now complete.
6. "Defences" - definitions of terms used as column headings.

   The intended purpose of each of the defensive measures referred to in the column headings is described in the definitions below.

   Root cause fix means a software fix applied to rectify the cause of the incidents reported by TIP in the relevant categories.

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Preventative Code means code added to the Horizon software either to detect and prevent an inappropriate user action (such as deletion of an active stock unit) which would have adverse system consequences, or to detect a system error (such as a null cash account id) and prevent the effects of that error propagating through the system.

Harvester Record Rejection refers to the action taken by the software agent which harvests records to be sent to TIP when it detects a record as being in error. In this circumstance the agent refuses to harvest the record, instead reporting it for investigation and/or correction.

7. AIC Detection - definition of terms used as column headings:

The checks performed by each part of the AIC software will be as defined in PI/DES/002, which was re-issued at v0.8 on 22/12/99. This adds to v0.7 a new section 4.6.5, which describes the test performed by the host AIC software to detect and report on instances when the cash account payments table total does not equal the cash account receipts table total.

Daily checks at the counter refers to the error reporting performed daily by the counter software (by writing error messages in the message store for central recovery and reporting) as distinct from the daily production of control totals for subsequent use either by the host or by the weekly counter AIC processes. This reporting is described in PI/DES/002, particularly within sections 3.2, 4.1.3, and 4.3.4 .

Reported by the Harvester refers to the daily error reporting by the harvester agent, for those outlets where an End of Day marker is present, when records are found which cannot be harvested for onwards transmission to TIP because they fail validation checks. This reporting is described in PI/DES/002, particularly within sections 4.4.1, and 4.3.4.

Daily checks at the Host refers to reporting of errors detected when the host AIC software checks the data harvested for each outlet with the counter generated control totals placed in the message store for this purpose. This reporting is described in PI/DES/002, particularly within sections 3.1 and 4.5.1.

Weekly checks at the counter refers to the error reporting performed weekly by the counter software (by writing error messages in the message store for central recovery and reporting) as distinct from the production of weekly control totals for subsequent use by the host AIC processes. These errors may be detected by comparison of the cash account to the control figures accumulated daily at the counter. This reporting occurs every day, for those outlets for which a cash account has been produced and is described in PI/DES/002, particularly within sections 3.2, 3.4, 4.1.2, 4.1.5, 4.2.3 and 4.3.5.

Weekly checks at the Host refers to reporting of errors detected when the host AIC software checks the cash account sub-file for an outlet with the counter generated control totals placed in the message store for this purpose. This reporting occurs every day, for those outlets for which a cash account has been produced and is described in PI/DES/002, particularly within sections 3.3 and 4.5.2.

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Receipts not equal to Payments check refers to reporting of errors detected when the host AIC software checks the cash account sub-file for an outlet to ensure that the totals for the Payments table and the Receipts table contained within the sub-file are equal. This reporting is described in PI/DES/002, section 4.6.5.

8. Preventative code is being developed.

9. This will not cause errors in the POCL domain provided the corrected data is transmitted electronically within five working days of the occurrence of the error. In cases where a Manual Error Report is submitted within five working days of the occurrence of the error POCL will be able to use this to correct the following week's opening balance as well as the original error.

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26 JUN 2002

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SCHEDULE G10 - POCL INFRASTRUCTURE SERVICE LEVELS AND REMEDIES

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline (reformatted to standard)	28 July 1999
1.2a	Applying CCN560 to 4.6, 4.3.2.7-9	
1.2b	Removing typo from 4.6.3	
1.2	Baseline copy of 1.2b	30 Nov 1999
1.3a	Applying CCN600 from 4.3.2.7 to 4.3.2.14	
1.3	Baseline copy of 1.3a	30 March 2000
2.0a	Applying CCN679b section 4.7 to 4.7.5.3.; CCN700 to 4.5.1.1, 4.5.2.1 and 4.5.3.1	
2.0	Baseline copy of 2.0a	12 January 2001
4.0d	New Schedule to introduce Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

1. PURPOSE

1.1. This Schedule details Service Levels and liquidated damages applicable for the POCL Infrastructure Services.

2. OVERVIEW OF THE SERVICE LEVEL MECHANISM

2.1. Schedule B10 sets out the aggregation of each POCL Service's Service Levels

2.2. This Schedule defines the levels of Service required by POCL from the POCL Infrastructure Service, and details the associated liquidated damages in the event that the levels of Service fail to meet these requirements.

2.3. This Schedule specifies Service Levels which are associated with specific liquidated damages and other Service Levels that do not have associated liquidated damages.

2.4. The reporting of actual levels of Service as compared with Service Levels, the calculation of liquidated damages and the payment of liquidated damages, shall be in accordance with Schedule A06.

2.5. All monetary values specified in this Schedule shall be subject to annual indexation from the 15th May 1996. The basis for this indexation shall be the Retail Price Index.

2.6. Each Service Level, which has associated liquidated damages, has two Service Level thresholds ("Service Thresholds"):

- Minimum Acceptable Threshold;
- Termination Review Threshold.

2.7. For any Service Level where liquidated damages apply in the event that the actual level of Service falls below the Minimum Acceptable Threshold, such liquidated

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damages shall apply to the extent that the actual level of Service falls below the Minimum Acceptable Threshold and above the Termination Review Threshold. Where the actual level of Service falls below the Termination Review Threshold, liquidated damages shall apply to the extent that the actual level of Service falls below the Minimum Acceptable Threshold and above the Termination Review Threshold, and damages at large rather than liquidated damages shall apply to the extent that the actual level of Service falls below the Termination Review Threshold.

2.8. Each Service Level which has no associated liquidated damages has a single Service Threshold.

2.9. POCL is primarily concerned with the overall performance of the Service as it impacts upon their business. Target Service Levels between the Services are therefore not set by POCL. However, the Contractor shall set its own target Service Levels and advise POCL of both internal target Service Levels and any subsequent changes. The Contractor shall monitor and report to POCL the actual measured performance against their own target Service Levels. The timing, content and format of this report shall be agreed between the Contractor and POCL prior to Operational Trial Acceptance Date.

2.10 For the purposes of the Minimum Acceptable Threshold set out in paragraphs 3.2.2 and 4.2.2 of this schedule G10 calls made to the Help Desk to report the non-availability of the NBS at an Outlet which on analysis are determined to be as a result of failure in the "local loop" shall count as Priority 'B' HSH Calls. Local loop, for this purpose, means the Outlet ISDN socket and its connection to the Central Network. For the purposes of calculating Liquidated Damages in Paragraph 3.2.4 such calls shall be deemed to have caused Downtime at all counter positions in the affected Outlets.

2.11 For the purpose of this Schedule G10 "*Downtime*" is defined as the period (counting time from within the relevant POCL Core Days only) commencing with an HSH call being reported to the Help Desk until the resolution of that call, less all time categorised as "suspended help desk call" in accordance with the Working Document entitled *System Service: Reporting & Remedial Settlement Process (CS/PER/104)*, as agreed from time to time between the Contractor and POCL. The Contractor is entitled to suspend a call for reasons which shall include the time a call is with BT for action, provided there is evidence of management controls and checks on BT by the Contractor, during this suspension.

3. POCL SERVICE LEVELS WITH ASSOCIATED LIQUIDATED DAMAGES

3.1. Data file delivery

3.1.1. Data files shall be delivered to TIP by 03:00. [G01 - para 3.4.1.5 (b)]

3.1.2. In each case the proportion of Transaction records delivered to TIP in the first and subsequent data file transmission (i.e. Transaction on day A, delivery to TIP by 03:00 day B, day C, day D) shall be measured by the Contractor.

3.1.3. The Minimum Acceptable Threshold is that:

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- 97% of all Transaction records to be delivered by day B;
- 99% of all Transaction records to be delivered by day C;
- 100% of all Transaction records to be delivered by day D.

3.1.4. The Termination Review Threshold is that:

- 98% of all Transaction records to be delivered by day D.

3.1.5. Liquidated damages are calculated as follows:

Liquidated damages =

(((100 - actual level of Service by day D) / 100) * total number of Transactions records * 1.0 pence) +
(((99 - actual level of Service by day C) / 100) * (total number of Transactions records - any also failing at day D) * 1.0 pence) +
(((97 - actual level of Service by day B) / 100) * (total number of Transactions records - any also failing at day D and day C) * 1.0 pence).

3.2. Time to Repair

3.2.1. Incidents which prevent an individual Outlet from using the normal (non-fallback) Services shall be resolved as follows, except where different numbers of working hours have been agreed in respect of the specific Outlet.

3.2.2. The Minimum Acceptable Threshold is:

- 100% resolved within Downtime of six (6) hours (Local Remedial), nine (9) hours (Intermediate Remedial) and twelve (12) hours (Remote Remedial), when Incidents have resulted in a substantial impact on all automated Counter Positions in the Outlet (Priority 'A' HSH Call);
- 100% fixed within Downtime of ten (10) hours (Local Remedial), fifteen (15) hours (Intermediate Remedial) and twenty four (24) hours (Remote Remedial) when Incidents have resulted in a substantial impact on an automated Counter Position, but not all automated Counter Positions, in the Outlet (Priority 'B' HSH Call)

3.2.3. not used

Table: Time to Repair Profiles

Class Call	Local Non-Remedial	Local Remedial	Intermediate Non-Remedial	Intermediate Remedial	Remote Non-Remedial	Remote Remedial
'A' Priority	4 hours	6 hours	6 hours	9 hours	8 hours	12 hours
'B' Priority	8 hours	10 hours	10 hours	15 hours	12 hours	24 hours

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Within the above table the following interpretation applies:

a) Non-Remedial is the service performance measure target time against which the minimum acceptable level of service is measured (paragraph 4.2.2 refers) and liquidated damages are not incurred

b) Remedial is the service performance target time after which liquidated damages commence (paragraph 3.2. 2 refers)

Note:

i) All Outlets with the exception of those in the locations listed in the Definition of Remote and Intermediate Locations document are defined as 'Local' for the purpose of Time to Repair measures.

ii) All outlet changes will be subject to Operational Business Change. A new outlet location will assume the same service level as the one it replaces unless it moves postal zone (eg: BT7 1** from BT7 2**) in which case the service level to be applied will be agreed with the POCL Operational Service Manager.

3.2.4. Liquidated damages are calculated as follows:

Where all Counter Positions in the Outlet experience downtime > 6 hours (Local):

Downtime cost =
((Seconds of Outlet downtime - (6 * 3600)) * number of automated Counter Positions in Outlet * 0.7 pence);

Where all Counter Positions in the Outlet experience downtime > 9 hours (Intermediate):

Downtime cost =
((Seconds of Outlet downtime – (9 * 3600)) * number of automated Counter Positions in Outlet * 0.7 pence);

Where all Counter Positions in the Outlet experience downtime > 12 hours (Remote):

Downtime cost =
((Seconds of Outlet downtime - (12 * 3600)) * number of automated Counter Positions in Outlet * 0.7 pence);

Where at least one Counter Position in an Outlet, but not all, experiences downtime > 10 hours (Local):

Downtime cost =
((Seconds of Outlet downtime - (10 * 3600)) * number of automated Counter Positions affected in Outlet * 0.7 pence),

Where at least one Counter Position in an Outlet, but not all, experiences downtime > 15 hours (Intermediate):

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Downtime cost =
((Seconds of Outlet downtime – (15 * 3600)) * number of automated Counter Positions affected in Outlet * 0.7 pence),

Where at least one Counter Position in an Outlet, but not all, experiences downtime > 24 hours (Remote):

Downtime cost =
((Seconds of Outlet downtime - (24 * 3600)) * number of automated Counter Positions affected in Outlet * 0.7 pence),

Total Excess time cost = the total amount of liquidated damages calculated in Schedule B10, for POCL Transactions at all Outlets

Total downtime cost = the aggregation of the Downtime Cost for all Outlets over the Service Level Measurement Period

If total downtime cost > total excess time cost, then the additional liquidated damages are:

total downtime cost - total excess time cost.

4. POCL SERVICE LEVELS WITH NO ASSOCIATED LIQUIDATED DAMAGES

4.1. Reference Data

4.1.1. Reference Data is delivered to the Contractor at any time prior to, or on the day preceding, its implementation date.

4.1.2. The Minimum Acceptable Threshold is that:

- for Reference Data delivered to the Contractor by 20:00 on the day preceding their implementation date, the percentage of Counter Positions referencing the correct version of the Reference Data at the start of the POCL Core Day on the implementation date of the data is not less than 97%; and
- for Reference Data delivered to the Contractor by 20:00 on the day preceding their implementation date, the percentage of Outlets referencing the correct version of the Reference Data at the start of the POCL Core Day on the day after the implementation date of the data is not less than 99%; and
- for Reference Data delivered to the Contractor by 20:00 on the day preceding their implementation date, the percentage of Outlets referencing the correct version of the Reference Data at the start of the POCL Core Day on the day two days after the implementation date of the data is 100%; and

Note: Reference Data will be timed from Release by POCL Authorisation Board to Pathway to its Receipt by the Post Office.

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There is at present workgroup activity taking place between POCL and ICL Pathway to further revisit and upgrade Reference Data SLA's post- NR2

4.1.3. On occasions (for example - to implement Reference Data changes consequent on a Budget Day by start of business on the following day) the Contractor shall implement changes to a tighter timescale. [R539]

4.2. Time to Repair

4.2.1. Incidents which prevent an individual Outlet from using the normal (non-fallback) Services shall be resolved as follows, except where different numbers of working hours have been agreed in respect of the specific Outlet.

4.2.2. The Minimum Acceptable Threshold is:

- 95% resolved within Downtime of four (4) hours (Local Non-Remedial), six (6) hours (Intermediate Non-Remedial) and eight (8) hours (Remote Non-Remedial), when Incidents have resulted in a substantial impact on all automated Counter Positions in the Outlet (Priority 'A' HSH Call);

- 95% fixed within Downtime of eight (8) hours (Local Non-Remedial), ten (10) hours (Intermediate Non-Remedial) and twelve (12) hours (Remote Non-Remedial) when Incidents have resulted in a substantial impact on an automated Counter Position, but not all automated Counter Positions, in the Outlet (Priority 'B' HSH Call)

4.2.3. not used

4.2.4. More than fifty (50)% of maintenance and repair visits shall be completed within twenty (20) minutes of arrival (S468)

4.3. Horizon System Helpdesk Service

The Contractor shall provide the Horizon System Helpdesk Service which shall act as the first point of contact for Customers of all POCL Services. Customers include POCL staff and staff of POCL Clients having a direct interface with the POCL Infrastructure provided.

4.3.1. Hours of Service

4.3.1.1. The Contractor shall provide a continuous Help Desk Service on each POCL Core Day.

4.3.1.2. A full Help Desk Service is required during the POCL Core Day. A skeleton Help Desk Service shall be provided between 05:00 and 08:00 and between 20:00 and 24:00, Monday to Saturday, and between 07:00 and 22:00 on Sundays.

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4.3.1.3. Arrangements for Bank Holidays shall only vary from a normal POCL Working Day where agreed with POCL, having regard to their applicability throughout the United Kingdom. No POCL Help Desk Service shall be provided on Christmas Day.

4.3.1.4. The Contractor shall ensure that calls made to the Help Desk outside specified hours are accepted by Contractor. [R914]

4.3.2. Service Targets

4.3.2.1. The Contractor shall answer at least 80% of all calls to the Help Desk within twenty (twenty) seconds and at least 99.9% of calls within forty (40) seconds, during support hours, including skeleton hours.

4.3.2.2. The percentage of 'calls not answered' shall be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'. [R914]

4.3.2.3. The Contractor's Horizon System Helpdesk Service shall provide first, second and third level Services as described in Schedule G01. [R914]

4.3.2.4. The Contractor shall resolve at least 95% of calls assigned to first level within five (5) minutes. The Contractor will resolve 100% of calls assigned to first level within ten (10) minutes. [R914]

4.3.2.5. The Contractor shall resolve at least 95% of calls assigned to second level within thirty (30) minutes. The Contractor shall resolve 100% of calls assigned to second level within forty-five (45) minutes. [R914]

4.3.2.6. The Contractor, given two (2) POCL Core Days notice, shall extend the level of Service to whatever is required. In emergency circumstances, the Contractor shall, given five (5) hours notice, provide a first and second level Service outside normal and extended working hours. [R914]

4.3.2.7. All calls made to the Help Desk seeking advice and/or guidance relating to cash accounts shall be answered by first line Help Desk staff. Where calls need to be dealt with by staff with greater expertise the calls shall be transferred to an appropriate expert. In not less than 95% of cases such transfer shall occur immediately. In the remaining cases the caller shall be called back by an appropriate expert within 20 minutes of the conclusion of his original call to the Help Desk.

4.3.2.8. The Contractor shall use reasonable endeavours to ensure that all advice and guidance given by the Help Desk is adequate to ensure that each issue on which advice and/or guidance is sought is adequately resolved in a manner which does not hinder completion of the cash account and associated processes.

POCL may verify this performance by analysis of tape recordings of Help desk calls under the provisions of paragraph 4.3.2.11 below. The principles to be applied in this verification are set out in paragraph 4.3.2.13 of this Schedule G10.

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No liquidated damages provision or termination threshold applies in relation to the service level described in this paragraph 4.3.2.8.

4.3.2.9. Approved call scripts shall be correctly followed by Help Desk staff in not less than 95% of cash account calls aggregated over all the Help Desk Weeks which end in that month, as measured by joint analysis by the Contractor and POCL of tape recordings of Help Desk calls. For the purposes of this paragraph 4.3.2.9:-

a) the principles to be applied in this measurement are set out in paragraph 4.3.2.13 of this Schedule G10;

b) the Contractor shall deliver all necessary tapes to POCL (recorded in the manner agreed with POCL) in respect of each Help Desk Week by no later than the Monday morning following the end of that Help Desk Week;

c) POCL shall review the recordings and report its findings to the Contractor within five working days following receipt of such tapes; and

d) when it is judged by POCL that the service level has been met successfully in respect of a Help Desk Week the recordings will not be examined further (unless otherwise agreed between POCL and the Contractor) and the tapes may be recycled at the Contractor's discretion.

4.3.2.10. During the Monitoring Period the Contractor shall measure and report to POCL the Contractor's performance against the service levels contained in paragraph 4.3.2.1 of this Schedule G10 on a daily basis for Wednesday and Thursday in each Help Desk Week. The report for each of the first five Help Desk Weeks in the Monitoring Period shall be provided to POCL no later than the Monday following the end of that Help Desk Week. In respect of the sixth Help Desk Week the Contractor shall report to POCL the Contractor's performance for the period up to and including Wednesday of that week and deliver such report by 6 p.m. on Thursday 13th January, 2000.

Following the end of the Monitoring Period the Contractor shall at any time upon written request by POCL given not less than two days prior to the first Wednesday of any month, measure and include in the Contractor's monthly service review report to POCL for that month the Contractor's performance against the service levels contained in paragraph 4.3.2.1 of this Schedule G10 on a daily basis for Wednesday and Thursday in each Help Desk Week which ends in that month.

No separate liquidated damages provision or termination threshold applies to daily performances reported pursuant to this paragraph 4.3.2.10.

4.3.2.11. The Contractor shall with effect from 8th December, 1999 install and thenceforth at all times have available the necessary equipment to enable Help Desk calls to be recorded for the purposes of paragraphs 4.3.2.8 to 4.3.2.10 above. The Contractor shall, on not less than two days' written notice, implement recording of cash account calls at POCL's request for periodic audit purposes. POCL shall be given access to all such recordings as soon as reasonably practicable following its demand therefor at any time during normal working hours or any other time when the Help Desk service is operational.

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4.3.2.12. To the extent that such notification is required by law, the Contractor shall be responsible for ensuring that Help Desk staff are properly notified that calls will be recorded and POCL shall be responsible for ensuring that Users (and others who call the Help Desk on POCL business) are properly so notified.

4.3.2.13. For the purposes of this Schedule:-

"**Help Desk Week**" shall mean each week commencing on the opening of business on a Friday and ending on the close of business on the following Thursday;

"**Monitoring Period**" shall mean the six week period commencing on Friday 3rd December, 1999 and ending on Thursday 13th January, 2000; and

"**cash account calls**" means calls to the Help Desk relating to cash accounts.

4.3.2.14. The sample sizes and sampling methodology for measuring compliance with approved scripts for cash account calls under paragraphs 4.3.2.8 and 4.3.2.9 of this Schedule G10 will be developed by POCL such that in the long term they would be expected to result in a "false failure rate" of 5% or less in each service level measurement period, and a "false success rate" of 10% or less in each service level measurement period.

These rates are defined in terms of the outcomes set out in the following table:

	Sample estimate of compliance rate less than 95%	Sample estimate of compliance rate greater than or equal to 95%
True compliance rate less than 95%	True failure	False success
True compliance rate greater than or equal to 95%	False failure	True success

The "false failure rate" is the expected number of false failure outcomes expressed as a proportion of the total of true and false failure outcomes.

The "false success rate" is the expected number of false success outcomes expressed as a proportion of the total of true and false success outcomes.

The method for selecting samples and determining sample sizes to achieve the above characteristics will be decided by POCL and recorded in a Contract Controlled Document. The Contractor will be entitled to review this to gain assurance that the methodology is in line with accepted practice in statistical sampling, and to require POCL to make changes if it is not. Any disagreements about appropriate statistical methodology will be resolved by reference to Chapter 7.13 ("Determining Sample Size to Control Type I and Type II Errors") of the publication "Business Statistics for Management and Economics" by Wayne W. Daniel and James C. Terrell, 7th Edition, 1995.

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POCL will carry out the initial analysis of the tapes (which will be provided by the Contractor) and will document findings in relation to which calls are and are not compliant with the relevant scripts.

The Contractor will review and agree these findings, or provide a factual statement of any cases where it takes a different view of the compliance. In the event of any disagreement as to compliance, the matter at issue shall be dealt with in accordance with Clause 807 of the Codified Agreement.

To the extent that the method involves more than one stage of sampling, POCL may decide to deem the service level to have been achieved on the basis of the first stage sample, notwithstanding that that sample estimate may show a compliance level below 95%.

Once sufficient samples have been analysed to comply with the requirements for probabilities of errors as above, then either party may request a full analysis of all calls in the relevant period (rather than a sample). In that case, the results based on the full analysis will be used in place of the sample estimates and in the event of any disagreement as to compliance, the matter at issue shall be dealt with in accordance with Clause 807 of the Codified Agreement.

The reasonable additional costs of both parties will be borne by the party requesting such a full analysis.

4.4. TMS Service Levels - transaction monitoring

4.4.1. POCL are not concerned with the performance of individual elements of the POCL Infrastructure Services per se. The primary concern is with the overall performance of the Services as they impact upon POCL's own systems, Clients, staff, Agents and Customers. Therefore, targets for the level of internal performance between Services shall not be set by POCL. However internal Service performance shall be judged by POCL as it affects overall performance of the Services. [R869]

4.4.2. The Contractor shall specify the internal performance requirements of any Service that potentially may be re-tendered, by the Operational Trial Commencement Date. The Contractor shall maintain and report actual measured performance for TMS as it interfaces to other Services. [R869]

4.4.3. For the TMS the Contractor shall specify the performance requirements and tolerances by the Operational Trial Commencement Date: [R869]

a) hours of operation of TMS;

b) response time required between TMS and OPS.

c) the number of outages of TMS, identifying types of outages monitored;

d) the availability of TMS.

4.4.4. The Contractor shall report against all performance requirements identified in section 4.4.3 above. [R869]

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4.4.5. Any proposed changes to any interface specification to TMS shall be subject to approval by POCL in accordance with Change Control Procedures, with updates to the technical documentation being provided within ten (10) POCL Core Days after the change has been implemented. [R869]

4.5. Implementation - Service Level Agreements: Installation of Service Infrastructure

4.5.1. Site survey

4.5.1.1. The Contractor shall co-operate with POCL to establish the appropriate action to be taken in each instance in order to resolve any concerns raised in any quality survey conducted as described in Schedule G06.

4.5.2. Modifications

4.5.2.1. The Contractor shall co-operate with POCL to establish the appropriate action to be taken in each instance in order to resolve any concerns raised in any quality survey conducted as described in Schedule G06.

4.5.2.2. 98% of repairs required to make good any damage caused to POCL Premises by the Contractor or its sub-contractors shall be carried out within their scheduled timescales. [R945]

4.5.3. Installation

4.5.3.1. The Contractor shall co-operate with POCL to establish the appropriate action to be taken in each instance in order to resolve any concerns raised in any quality survey conducted as described in Schedule G06.

4.5.3.2. Excluding Site Surveys, Modifications, Training, Data Migration and factors outside Contractor's control, the median time for closure of a counter position for installation activities shall not exceed 45 minutes for all counters except those which have the ISDN connection, for which the median shall not exceed 75 minutes. Both parties will further review the installation process using reasonable endeavours to agree improvement processes to enable the time for the installation at individual counter positions to be reduced having regard to the security features as stated in the Security Functional Specification. [R502]

4.5.3.3. 98% of repairs required to make good any damage caused to POCL Premises by the Contractor or its sub-contractors shall be carried out within their scheduled timescales. [R945]

4.6. Reboot Incidents

4.6.1. The Contractor shall use all reasonable endeavours to ensure that the number of Reboot Incidents reported to the Help Desk does not exceed the equivalent of one Reboot Incident per automated Counter Position in any period of four months.

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4.6.2. For the purposes of paragraph 4.6.1 above "Reboot Incident" shall mean Help Desk authorised reboots, Help Desk authorised office snapshot print previews and any work-arounds authorised by the Help Desk to remove the necessity to carry out a reboot or office snapshot print preview where the time taken to carry out such work-around (as demonstrated by the Contractor in the test environment normally used to validate test scripts) is four minutes or longer.

4.6.3. For the avoidance of doubt, it is agreed that the Contractor shall be permitted to continue the good business practice of carrying out planned reboots outside working hours, such planned reboots not to exceed one per Counter Position per month.

4.7. Message Broadcast Service

4.7.1. Introduction

4.7.1.1 This section 4.7 sets out the service levels which apply to the Message Broadcast Service (MBS) as described in section 7 of Schedule G01.

4.7.2. Availability

4.7.2.1. The Contractor shall provide the MBS such that:

a) messages can be submitted at any time during the POCL Core Day;

b) messages stored at an Outlet can be viewed at the Outlet at any time that the OPS service is available.

4.7.3. Message delivery

4.7.3.1 For each valid message successfully passed to the Contractor in accordance with the standards and procedures set out in "*CCD to be identified*", the target shall be that messages shall be available for onward transmission to the outlets, within 3 hours, of the "message receipt time" as defined in "*CCD to be identified*" such that valid messages would be expected to be available to be viewed in each targeted outlet within 4 hours of the "message receipt time" provided that the targeted outlet is operating and communicating normally. The 3 and 4 hour targets only apply within the hours of the POCL core day, will not be reported upon and will have no associated remedies or termination rights, but from time to time POCL may monitor performance by inspection. The Contractor's sole obligation with regard to the 3 and 4 hour target times shall be to use reasonable endeavours to achieve them.

4.7.4. Report delivery

4.7.4.1. The report of Outlets which may have been unable to receive messages shall normally be available to POCL by 08:00 the following POCL Core Day.

4.7.5. Volumes

4.7.5.1. As a minimum, the MBS shall have sufficient capacity to support:

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a) the submission of 6 messages per day by POCL; and

b) 3 new messages for any given Outlet per day.

4.7.5.2. The Contractor shall use reasonable endeavours to process messages above these volumes, up to:

a) the submission of a maximum of 13 messages per day by POCL; and

b) a maximum of 7 new messages for any given Outlet per day.

4.7.5.3. The message delivery service levels in 4.7.3 above shall only apply to message volumes up to the limits set out in paragraph 4.7.5.1 For message volumes above these limits, no service levels shall apply.

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SCHEDULE G12 - PIN PAD IMPLEMENTATION

Version Reference	Reason for Change	Frozen/Issue Date
4.0a	New Schedule to introduce Network Banking Service and PIN Pad implementation	20/06/02
4.0	To Introduce Network Banking Service	21/06/02

1. DEFINITIONS

1.1 In this Schedule G12 the following expressions shall have the following meanings:

"Actual Shortfall" means the difference (if any) between:

(i) 99.9%; and

(ii) the actual percentage of Networked Sites where the operational version of the PP Test Software has been installed by the date specified in paragraph 3.5 (A),

or zero if that actual percentage is greater than 99.9%.

"Actual Shortfall Site" means each Networked Site classified in the Contractor's list provided in accordance with paragraph 3.3(I) as an actual shortfall site.

"Installer" means POCL or the third party appointed by POCL to install the PIN Pads and/or the Paypoles, as the case may be.

"Networked Site" means a PIN Pad Site where there is a network connection.

"OBC Stock" means the stock of PIN Pads held from time to time by the Contractor, for Operational Business Change requirements, in accordance with paragraph 5.1 and paragraph 5.2 of this Schedule G12.

"PIN Pad Site" means all automated Counter Positions, mobile configurations (as described in row 8 of Annex 5 to Schedule A12), Admin Positions and trolley based solutions in Outlets.

"PP Test Software" means the PIN Pad test software to be developed by the Contractor which shall:

(i) in respect of a PIN Pad Site, detect installation of a PIN Pad in accordance with the specification set out in the CCD entitled *"PIN Pad Technical Installation*

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Training Guide" (IM/MAN/022) and that the PP Test Software has been run at that PIN Pad Site;

(ii) in the case of Networked Sites only, incorporate a mechanism to notify the Contractor that a PIN Pad has been successfully incorporated into the POCL Service Infrastructure;

(iii) in the case of Networked Sites only, test that the PIN Pad is functioning as an integrated element of the POCL Service Infrastructure; and

(iv) have the functional characteristics described in the CCD entitled "*PIN Pad Technical Installation Training Guide" (IM/MAN/022).*

"**Paypole**" means the fixture to which a PIN Pad is attached as described in the CCD entitled "*Paypole Product Specification" (IM/SPE/026).*

1.2 Unless stated otherwise, any reference to a paragraph is to the relevant paragraph of this Schedule G12.

2. DESIGN AND DEVELOPMENT

2.1 The Contractor shall:

2.1.1 complete and maintain the design for the PIN Pad in order that the PIN Pad shall comply with the CCD entitled "*PIN Pad Product Specification" (NB/PDN/010)* and in order that the PIN Pad shall support the NBS; and

2.1.2 by the relevant date specified in the NB Project Plan provide the design and specifications for the installation and connection of PIN Pads to be used in mobile configurations (as described in row 8 of Annex 5 to Schedule A12) and installation of PIN Pads in standard configurations on trolleys and vans. When producing the design of the installation and connection of PIN Pads to be used in mobile configurations the Contractor shall seek to keep the aggregate weight of the mobile configuration with the PIN Pad connected as low as is reasonably practicable in the circumstances. For the avoidance of doubt and unless agreed otherwise under the Change Control Procedure, the Contractor shall not be required to supplement the design and/or specifications or provide a further design and/or specification in the event that POCL does not wish to proceed with procurement of connections for mobile configurations in accordance with the design and specifications provided by the Contractor in accordance with this paragraph 2.1.2.

2.2 The size and specification of the boxes to be used for PIN Pad and Paypole delivery, the size of batches of PIN Pads which are returned to the Contractor by POCL under paragraph 4.3(D) (which shall in any event be between 10 and 50), and the addresses

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for PIN Pad delivery and return specified in accordance with paragraphs 3.3(D) and 4.3(D) and 4.3(E)(iii)shall be as set out in the Working Document entitled "*Pin Pad Supply Logistics Requirements*" (IM/REQ/093).

3. PRE-INSTALLATION

3.1 The Contractor shall procure PIN Pads (but for the avoidance of doubt not the connections for PIN Pads referred to in paragraph 2.1.2 above) to the specifications set out in the CCD entitled "*PIN Pad Product Specification" (NB/PDN/010)* and Paypoles to the specifications set out in the CCD entitled *"Paypole Product Specification" (IM/SPE/026)* to be delivered in the following quantities:

(A) PIN Pads - 38,000; and

(B) Paypoles - 37,000

3.2 POCL may at its option increase either or both of the quantities set out in paragraph 3.1 by a maximum of 2,000. To exercise that option POCL shall give notice in writing to the Contractor no later than 31 August 2002, after which that option shall expire.

3.3 The Contractor shall:

(A) provide to POCL the results of any tests which the Contractor may carry out, prior to authorising production, on manufactured quality prototypes of the PIN Pad;

(B) provide to POCL details of testing to be carried out by the supplier of the PIN Pads at the supplier's premises and shall procure that all PIN Pads are tested accordingly;

(C) carry out the tests set out in the Working Document entitled *"PIN Pad Sample Test Specification" (NB/SPE/014)* in the UK on a sample of PIN Pads, following delivery of the sample by POCL to the Contractor, and provide the results of the tests to POCL. The sample size will be 1 in 500 and the samples will be drawn by POCL from stock delivered to POCL. Each PIN Pad, once it passes the tests carried out in accordance with this paragraph 3.3 (C), shall be added to the Contractor's stock of spare PIN Pads;

(D) deliver the PIN Pads and Paypoles to such single UK mainland location as POCL may, on 30 days written notice to the Contractor, specify from time to time. POL shall notify Pathway of the initial delivery location no later than 17 June 2002;

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(E) ensure that PIN Pads are key loaded and ready for installation, before delivery to POCL, such that installation can be effected in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)*;

(F) Not used.

(G) provide on or before the applicable date specified in the NB Project Plan a draft of such installation instructions (including screen layouts for the PP Test Software) as are necessary and reasonably required for connection of a PIN Pad at each mobile configuration and at each standard configuration on a trolley or van, as specified in paragraph 2.1.2, to be documented in a future update of the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)*;

(H) produce and distribute the PP Test Software to PIN Pad Sites in accordance with its obligations contained in this Schedule;

(I) on 23 April 2002 and on each working day thereafter until completion of installation of the PP Test Software, copy to POCL the list of (i) PIN Pad Sites with PP Test Software installed and (ii) PIN Pad Sites with PP Test Software not installed; and

(J) procure at the Contractor's cost (and in the circumstances described in paragraph 3.3(J)(i) below, at the Contractor's cost, deliver to POCL) a replacement PIN Pad for each PIN Pad which is:

(i) returned in accordance with the Working Document entitled "*Pin Pad Supply Logistics Requirements*" *(IM/REQ/093)* to the Contractor where found (including by the PP Test Software) to have been supplied faulty; or

(ii) found by the Contractor to be defective where the Contractor attends a PIN Pad Site to complete the installation of a PIN Pad in accordance with the provisions of this Schedule G12.

3.4 POCL shall:

(A) plan and manage the programme for PIN Pad Deployment (but not deployment of PIN Pads through the Operational Business Change procedure);

(B) by 30 June 2002 provide the Contractor with the Installer's training plan;

(C) permit the Contractor to observe such of the Installer's training sessions as the Contractor may request to attend; and

(D) in the case of each Actual Shortfall Site, inform the Contractor as soon as reasonably practicable after it has installed the Paypole and, as far as possible,

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the PIN Pad (such installation having been carried out in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022))* in order that the Contractor can then complete the PIN Pad installation in accordance with paragraph 3.6.

3.5 The Contractor shall:

(A) use reasonable endeavours to ensure that the operational version of the PP Test Software is installed at 99.9% of the Networked Sites by 19 June 2002; and

(B) ensure that the operational version of the PP Test Software is installed at 100% of the Networked Sites by 14 August 2002.

3.6 Subject to paragraph 3.7, in the event that on the date specified in paragraph 3.5 (A) there is an Actual Shortfall the Contractor shall by 1 December 2002 or such later date as POL may specify with the Contractor's agreement (such agreement not to be unreasonably withheld or delayed):

(A) in accordance with the specification set out in the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)* complete the installation (commenced by POCL), at its own cost, of a properly functioning PIN Pad; and

(B) run the PP Test Software in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)*,

at each Actual Shortfall Site.

3.7 The Contractor's obligations in paragraph 3.6 shall not apply to any Actual Shortfall Site where:

(A) by the date on which POCL intended installation of the PIN Pad to take place the PP Test Software has been installed; and/or

(B) the Installer has failed to install the Paypole, and as far as possible, to install the PIN Pad in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)* prior to the date on which the Contractor has been advised by POCL that it may attend the Actual Shortfall Site to complete such installation

3.8 The Contractor shall use reasonable endeavours to install the PP Test Software at each PIN Pad Site which is not a Networked Site by the date 10 weeks after Release Authorisation for deployment of the NBS to all Outlets.

3.9 The Contractor warrants and represents to POCL:

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(A) that all PIN Pads procured by the Contractor under this Codified Agreement shall comply with the CCD entitled *"PIN Pad Product Specification" (NB/PDN/010)*;

(B) that all Paypoles procured by the Contractor under this Codified Agreement shall comply with the CCD entitled *"Paypole Product Specification" (IM/SPE/026)*;

(C) that all Paypoles procured by the Contractor under this Codified Agreement shall be physically compatible with the PIN Pad;

(D) that the components of all PIN Pads procured by the Contractor under this Codified Agreement shall be fully functional in accordance with the specifications of their respective manufacturers; and

(E) that all PIN Pads procured by the Contractor under this Codified Agreement shall:

(i) support the NBS; and

(ii) be compatible with the POCL Service Environment.

4. INSTALLATION

4.1 The Contractor shall:

(A) provide POCL with such user name or names and password or passwords as are required for PIN Pad installation (as referred to in CCN 934); and

(B) provide Help Desk support between 8am to 8pm Monday – Saturday (excluding Bank Holidays) to resolve:

(i) technical faults in the POCL Service Infrastructure (each a "Technical Fault") found during PIN Pad installation; and

(ii) queries where the PP Test Software produces results which are not envisaged in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)* (each an "Installation Fault").

Support outside of the hours specified in this paragraph 4.1(B) shall, if required, be an Additional POCL Service to be introduced through the Change Control Procedure.

4.2 In the event that:

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(A) the Contractor is required to deal with any Help Desk calls by Installers not resulting from either a Technical Fault or an Installation Fault (or both); and

(B) as a result the Contractor fails to reach any of the service targets set out in paragraphs 4.3.2.1, 4.3.2.2, 4.3.2.3 and 4.3.2.4 of schedule G10, requirement 914 paragraphs 1.164.25, 1.164.26 and 1.164.27 of Schedule A15 and solution reference 914 paragraphs 2.1.3 and 2.11.1 (targets 1, 2, 3, 5 and 6) of Schedule A16.

all such Help Desk calls shall be disregarded for the purposes of assessing the Contractor's performance against those service targets to the extent the Contractor can show that the failure occurred as a result of receipt of such Help Desk calls. This provision shall apply notwithstanding any conflict or inconsistency between it and any provision of Schedule G10.

4.3 POCL shall or shall ensure that the Installer shall (as the case may be):

(A) carry out such counter modifications as are necessary for PIN Pad installation;

(B) save to the extent that the Contractor is required so to do in accordance with this Schedule G12, using all reasonable skill and care install and connect PIN Pads at all PIN Pad Sites in accordance with the specification set out in the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)* ;

(C) save to the extent that the Contractor is required so to do in accordance with this Schedule G12, using all reasonable skill and care run the PP Test Software provided by the Contractor at all PIN Pad Sites in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)*;

(D) save as specified otherwise in paragraph 4.3 (E), in accordance with the Working Document entitled "*Pin Pad Supply Logistics Requirements*" *(IM/REQ/093)*, return to the Contractor, at such single mainland UK address as the Contractor shall on 30 days notice notify POCL from time to time, any PIN Pads which fail the PP Test Software tests on installation; and

(E) where a PIN Pad fails the PP Test Software tests on installation:

(i) attempt to install a second PIN Pad at the PIN Pad Site in question. POCL may, at its discretion, attempt to install further replacement PIN Pads at that PIN Pad Site following the second (or subsequent) PIN Pad failing on installation;

(ii) having installed the Paypole, leave a PIN Pad physically installed at the PIN Pad Site in question in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/0220* and report that fact

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to the Contractor through the Horizon System Help Desk in which case the provisions of paragraph 4.4 shall apply; and

(iii) at its discretion, either return (in accordance with paragraph 4.3(D)) any failed PIN Pads or attempt installation using the failed PIN Pads at another PIN Pad Site or Sites (in each case, the obligation shall not apply to the PIN Pad left at the PIN Pad Site in accordance with paragraph 4.3(E)(ii) above).

4.4 Where POCL makes a call to the Horizon System Help Desk in accordance with paragraph 4.3(E)(ii) the following provisions shall apply:

(A) the Contractor shall, subject to having received the necessary number of PIN Pads from POCL in accordance with paragraph 5.1, use reasonable endeavours to complete the installation of a properly functioning PIN Pad at that PIN Pad Site within 48 hours of the call being received, except in the circumstances described in paragraph 4.4(B) below;

(B) in the event that any calls made in accordance with paragraph 4.3(E)(ii) are received during the period of two weeks before PIN Pad Deployment by or on behalf of POCL is due to be completed (POCL having notified the Contractor at least one week prior to its commencement of when that two week period is due to commence) the Contractor shall, subject to having received the necessary number of PIN Pads from POCL in accordance with paragraph 5.1 and save as provided in paragraph 4.4(C) below, use reasonable endeavours to complete the installation of a properly functioning PIN Pad at that PIN Pad Site within 24 hours of each such call;

(C) POCL acknowledges and agrees that the 24 hour target referred to in this paragraph 4.4 is based upon the assumption that during such two week period the profile of daily PIN Pad installation (both completed and initiated) by or on behalf of POCL (the "Profile") will not be materially different from the Profile (the "Previous Profile") for each day during the previous four weeks.

In the event that that the Profile is materially different from the Previous Profile the Contractor's obligations under this paragraph 4.4 shall be to complete the installation of the PIN pad as soon as reasonably practicable (which may be after expiry of that 24 hour period);

and

(D) the above targets of 24 and 48 hours shall be applied and the Contractor's performance measured against them, for the purposes of this paragraph 4.4, by counting time (hours) in the POCL Core Day only.

4.5 Where:

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(A) a PIN Pad is found to be faulty on installation; and

(B) the PIN Pad supplier, upon subsequent testing of that PIN Pad, reports that it is not faulty ("No Fault Found"),

the Contractor shall retain that PIN Pad and shall not send it to POCL for installation. The Contractor's charges for dealing with each No Fault Found PIN Pad where the attempted installation of that PIN Pad was not in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)* shall be as specified in part D of Schedule A12.

4.6 In the event that the number of PIN Pads retained by the Contractor in accordance with paragraph 4.5 reaches 26 the parties shall use all reasonable endeavours to discover the reason for the discrepancy between the Installer finding PIN Pads to be faulty on installation and the PIN Pad supplier's test results.

4.7 Where a faulty PIN Pad is repaired by the PIN Pad supplier and returned to the Contractor, or a replacement PIN Pad is delivered to the Contractor by the PIN Pad supplier that PIN Pad will be added to the Contractor's stock of spare PIN Pads.

4.8 The Contractor shall (in addition to its obligations specified in paragraph 4.4) complete the installation of a properly functioning PIN Pad:

(A) at a PIN Pad Site where the Installer has installed a faulty PIN Pad and on installation of that faulty PIN Pad the PP Test Software was used but the fault in the PIN Pad was not detected;

(B) subject to paragraph 3.7 at each Actual Shortfall Site in the circumstances specified in paragraph 3.6; and

(C) where the PP Test Software was available at a PIN Pad Site but POCL failed to use the PP Test Software on installation of the PIN Pad. In the circumstances specified in this paragraph 4.8(C) POCL shall be liable for all of the Contractor's costs in running the PP Test Software and completing installation of the PIN Pad at that PIN Pad Site.

4.9 In the case of Networked Sites, once the PP Test Software has recognised the presence of an installed PIN Pad:

(A) the Contractor's SMS software shall capture the presence of and serial number of that PIN Pad and that PIN Pad will then be deemed accepted as part of the POCL Service Infrastructure; and

(B) following recognition by the Contractor's SMS software in accordance with paragraph 4.9(A) if there is a printer available and functioning at the Networked Site two receipts will be produced in accordance with the CCD entitled "*PIN Pad*

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Technical Installation Training Guide" (IM/MAN/022) to show that the PIN Pad has been recognised by the PP Test Software. If the Networked Site is not connected to a printer, or it is connected to a printer but the printer is not functioning properly at that time, a print preview of the receipt shall be used in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide" (IM/MAN/022)* to show that the PIN Pad has been recognised by the PP Test Software.

4.10 In the case of each PIN Pad Site which is not a Networked Site where PIN Pad installation is carried out by the Installer, POCL shall notify the Contractor in writing forthwith upon completion of installation of a PIN Pad at the PIN Pad Site and the PIN Pad shall be deemed accepted as part of the POCL Service Infrastructure upon receipt by the Contractor of such notification.

4.11 In the case of each PIN Pad Site which is not a Networked Site where PIN Pad installation is carried out by the Contractor, the Contractor shall notify POCL in writing forthwith upon completion of installation of a PIN Pad at the PIN Pad Site and the PIN Pad shall be deemed accepted as part of the POCL Service Infrastructure upon completion of installation.

4.12 POCL may at its option from time to time (but no more frequently than once per week) send to the Contractor a list of the PIN Pad Sites where POCL believes a PIN Pad has been successfully installed and the Parties shall then resolve any discrepancies with the Contractors' records as soon as reasonably practicable.

4.13 Where:

(A) a PIN Pad is left at a PIN Pad Site in accordance with paragraph 4.3(E)(ii);

(B) installation of the PIN Pad by the Installer has not been in accordance with the CCD entitled *"PIN Pad Technical Installation Training Guide"*; and

(C) the PIN Pad left at the site is not found to be faulty when installation is completed by the Contractor,

the Contractor's charges for completion of the PIN Pad installation shall be as specified in part D of Schedule A12.

5. OBC STOCK AND SPARES AND POST INSTALLATION OBLIGATIONS

5.1 Of the PIN Pads to be procured under paragraph 3.1, POCL shall deliver to the Contractor by 2 weeks after the completion of the delivery to POCL of all of the PIN Pads to be procured under paragraph 3.1 500 PIN Pads to be held as spares and 500 PIN Pads to satisfy Operational Business Change requirements for new PIN Pads.

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5.2 Where, in accordance with Operational Business Change a PIN Pad is removed from an automated Counter Position and is not moved to another automated Counter Position the retained PIN Pad shall be added to the OBC Stock. In the event that, following delivery by POCL to the Contractor of 500 PIN Pads to be held as OBC Stock in accordance with paragraph 5.1 of this Schedule G12, the OBC Stock is reduced to 100 PIN Pads the Contractor shall notify POCL of such in writing or by email. POCL shall within 5 working days of receipt of such notification from the Contractor confirm to the Contractor in writing or by email (an "OBC Stock Notice") whether or not it requires the Contractor to increase the OBC Stock. Where an OBC Stock Notice requires the Contractor to augment the OBC Stock the Contractor shall procure the required number of PIN Pads and shall use reasonable endeavours to do so within 100 days of receipt of the OBC Stock Notice. The Contractor's Charges for such additional PIN Pads procured shall be as set out in part D of Schedule A12.

5.3 The Contractor shall:

(A) maintain each PIN Pad as part of the POCL Service Infrastructure once that PIN Pad has been accepted into the POCL Service Infrastructure in accordance with paragraphs 4.9, 4.10 or 4.11 as the case may be;

(B) save as specified in paragraph 5.4 and paragraph 5.5, from the commencement of PIN Pad Deployment, include PIN Pads:

(i) where new automated Counter Positions are added at an Outlet if the Counter Positions already installed at that Outlet are fitted with PIN Pads; and

(ii) whenever there is an Outlet change,

dealt with, in each case, through and in accordance with Operational Business Change.

5.4 In the event that POCL fails to supply the number of PIN Pads necessary for the Contractor to meet its obligations in paragraph 5.3(B) the Contractor shall, after having notified POCL that the OBC Stock is insufficient, be relieved of its obligations in paragraph 5.3(B) until POCL has supplied the Contractor with the number of PIN Pads necessary for the Contractor to fulfil those obligations.

5.5 Where:

(A) the Contractor receives an OBC Stock Notice stating that the OBC Stock should not be increased; or

(B) POCL fails to respond to a notification from the Contractor under paragraph 5.2),

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the Contractor shall be relieved of its obligations in paragraph 5.3(B) where it does not have the necessary OBC Stock, until the Contractor receives the required PIN Pads to be added to OBC Stock (following written notification from POCL to the Contractor that it requires the Contractor to increase the OBC Stock).

5.6 POCL shall use POCL's own installation help desk for all matters other than Technical Faults and/or Installation Faults.

5.7 The Contractor's SMS software shall monitor installed PIN Pads and detect PIN Pad failures.

5.8 Physical damage to PIN Pads (once installed) will be reported by POCL to the Horizon System Help Desk.

5.9 If a PIN Pad is sent to the PIN Pad supplier for repair the Contractor shall procure that it shall perform that repair promptly and then return that Pin Pad to the Contractor.

6. PAYPOLES

6.1 POCL will install Paypoles at all PIN Pad Sites.

6.2 POCL may disconnect and reconnect PIN Pads, where necessary, when repairing Paypoles. In such circumstances disconnection and reconnection of PIN Pads shall be in accordance with operational procedures specified by the Contractor to be documented in the CCD entitled "*PIN Pad Technical Installation Training Guide*" *(IM/MAN/022)*.

6.3 In the circumstances described in paragraph 5.3(B) any necessary Paypoles and cable routing (which shall include dummy cabling) will be installed by POCL prior to the Contractor installing the required Counter Equipment and the PIN Pads.

6.4 In any circumstances where a Paypole and the associated PIN Pad both need to be repaired POCL shall first repair the Paypole and then report the fact that the PIN Pad requires repair to the Contractor by telephone to the Horizon System Help Desk. Following receipt of such call from POCL the Contractor shall ensure that there is a properly functioning PIN Pad at that PIN Pad Site. For the purposes of measurement of the time to repair Service Level for repair of the PIN Pad measurement shall commence only once a call has been made to the Horizon System Help Desk in accordance with this paragraph 6.4.

6.5 Once the initial order of Paypoles under paragraph 3.1 has been exhausted, POCL may on giving the Contractor at least 100 calendar days' prior written notice, require the Contractor to procure further Paypoles. In the event that POCL serves notice on the Contractor in accordance with this paragraph 6.5, the Contractor shall procure the number of Paypoles specified in the notice and shall use reasonable endeavours to do

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so within that 100 calendar day notice period. The Contractor's Charges for procuring such additional Paypoles shall be as specified in part D of Schedule A12.

7. LIABILITY FOR HARDWARE FAULTS

7.1 POCL shall be liable for the cost of damage to:

(A) PIN Pads;

(B) any Hardware elements of the POCL Service Infrastructure at PIN Pad Sites (not including Software wherever located); and

(C) any costs of remedying defective installations;

as a result of the negligence or wilful acts or omissions during the PIN Pad and Paypole installation process of POCL's installation contractors, employees or agents.

7.2 POCL shall be liable for the costs (including service call costs) of any damage to, loss or theft of PIN Pads to the extent caused by or contributed to by POCL's employees, contractors or agents and, where the damage, loss or theft occurs at a PIN Pad Site, by the public.

7.3 The Contractor shall be liable for the costs of any damage to, loss or theft of a PIN Pad to the extent caused by or contributed to by the Contractor's employees, contractors or agents during such times as Pathway retains risk in that PIN Pad.

7.4 The aggregate limit on POCL's liability under Clause 810.2.1.1 shall apply to any sums paid by POCL under paragraphs 7.1 or 7.2.

7.5 The aggregate limit on the Contractor's liability under Clause 8.10.2.3 shall apply to any sums paid by the Contractor under paragraph 7.3.

7.6 Nothing in this Schedule G12 shall act to alter the position under the remainder of this Codified Agreement in respect of liability and cost for pre-existing damage to the POCL Service Infrastructure discovered during PIN Pad installation.

7.7 If an automated Counter Position is found to be damaged or inoperable at the time of installation of a PIN Pad then:

(i) POCL shall install or procure the installation of the PIN Pads and Paypoles as far as possible; and

(ii) the Contractor shall, when repairing that Counter Position, complete the installation of and test the PIN Pad;

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in accordance with the CCD entitled "*PIN Pad Technical Installation Training Guide" (IM/MAN/022).*

8. RISK AND TITLE

8.1 The risk of loss of or damage to each Paypole shall pass from the Contractor to POCL upon delivery of that Paypole to POCL.

8.2 Title in each Paypole shall pass from the Contractor to POCL when the Contractor receives all payments due in respect of that Paypole.

8.3 The risk of loss of or damage to each PIN Pad shall pass from the Contractor to POCL upon delivery of that PIN Pad to POCL and shall remain with POCL until that PIN Pad has been accepted into the POCL Service Infrastructure in accordance with paragraph 4.9, 4.10 or 4.11 of this Schedule G12 or delivered to the Contractor by POCL in accordance with paragraph 5.1 (as the case may be) whereupon it shall pass to the Contractor.

8.4 Title in:

(A) each PIN Pad other than those PIN Pads referred to in paragraph 8.4(B) shall pass from the Contractor to POCL when the Contractor receives all payments due in respect of that PIN Pad (provided that such payments are made prior to acceptance of that PIN Pad into the POCL Service Infrastructure) and shall then pass from POCL to the Contractor upon acceptance of that PIN Pad into the POCL Service Infrastructure under paragraphs 4.9, 4.10 or 4.11 of this Schedule G12; and

(B) each PIN Pad delivered to the Contractor in accordance with paragraph 5.1 shall pass from the Contractor to POCL when the Contractor receives all payments due in respect of that PIN Pad (provided that such payments are made prior to delivery of the PIN Pad to the Contractor) and shall then pass from POCL to the Contractor upon delivery of the PIN Pad to the Contractor by POCL.

If the payments referred to in paragraphs 8.4(A) or (B) are made after acceptance of the PIN Pad into the POCL Service Infrastructure or after delivery of the PIN Pad to the Contractor (respectively) then title to that PIN Pad shall not pass to POCL but shall remain with the Contractor.

9. GENERAL

9.1 The Contractor shall not be liable to POCL in respect of any breach of its obligations in this Schedule G12. (the "PP Dependent Obligations") or any delay in performing the PP Dependent Obligations to the extent that such breach or delay was caused by the failure by POCL to comply (or to ensure that the Installer complies, as the case may

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be) with its obligations under paragraphs 3.4(D), 4.3(E)(ii), 6.3, 6.4 or 7.7. of this Schedule G12 (a "PP Dependency Failure").

9.2 The Contractor shall notify POCL in writing as soon as reasonably practicable after the Contractor becomes aware of any PP Dependency Failure or becomes aware of any matters or circumstances which would with the effluxion of time result in a PP Dependency Failure.

9.3 In the event of a PP Dependency Failure, the Contractor shall be entitled to recover from POCL such reasonably incurred increased costs and expenses (if any) which it incurs in performing the PP Dependent Obligation in question to the extent that such increased costs and expenses were the result of the PP Dependency Failure. The Contractor shall provide a statement of such increased costs and expenses incurred for approval by POCL, such approval not to be unreasonably withheld.

9.4 The Contractor shall use all reasonable endeavours to mitigate the amounts (if any) payable under paragraph 9.3 of this Schedule G12.

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SCHEDULE L2- OPERATIONAL TRIAL PLANS

Version Reference	Reason for Change	Frozen/issue date
1.0	Original baseline	28 July 1999
1.2a	Applying CCN323a to 3.1.3, 3.2.1, 3.3.1; CCN494 to 3.1.3, 3.2.1, 3.3.1	
1.2	Baseline copy of 1.2a	30 Nov 1999
1.3a	Applying CCN593 to 2.1	
1.3	Baseline copy of 1.3a (and change font)	30 March 2000
4.0b	New Schedule to introduce Network Banking Service	20 June 2002
4.0	To Introduce Network Banking Service	21 June 2002

1. PURPOSE

1.1. This Schedule describes the phases of the Operational Trial.

2. PLANS

2.1. The testing strategy for the Operational Trial is defined in the documents General Testing Policy at version 2.0 (VI/POL/001), Testing and Integration Strategy at version 2.0 (VI/STR/001) and Revisions to the Testing and Integration Approach for Pathway Release 2 at version 2.0 (VI/STR/006).(R958). All references to those documents, in connection with the Operational Trial, in other CCDs or elsewhere in this Codified Agreement shall be interpreted as a reference to version 2.0 of the document referred to.

3. PHASES IN THE OPERATIONAL TRIAL

3.1. Introduction

3.1.1. The Operational Trial shall consist of the following three distinct phases: **(R925)**

- a technical test
- a model office test
- a live trial.

3.1.2. Phases in the Operational Trial may overlap but shall finish in sequence. **(R925)**

3.1.3. The Contractor shall produce all of the deliverable documents defined in the General Testing Policy (v2.0), Testing and Integration Strategy (v2.0), and Revisions to the Testing and Integration Approach for Pathway Release 2 (v2.0). **(R925)**

3.1.4. The Contractor shall produce test scripts to reflect all test conditions supplied by POCL's test team. POCL reserves the right to define and produce other test scripts as required. **(R925)**

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3.2. Technical Test

3.2.1. The Contractor shall undertake the technical test which shall be monitored by POCL in accordance with the General Testing Policy (v2.0), Testing and Integration Strategy (v2.0), and Revisions to the Testing and Integration Approach for Pathway Release 2 (v2.0). The Contractor shall submit the Acceptance Specification for the technical test for review and approval by POCL in accordance with the timescales in the Project Plan. **(R925; extrapolation)**

3.3. Model Office Test

3.3.1. The Contractor shall support testing within the model office test in accordance with the General Testing Policy (v2.0), Testing and Integration Strategy (v2.0), and Revisions to the Testing and Integration Approach for Pathway Release 2 (v2.0). **(R925; S925)**

3.3.2. The Contractor shall install the necessary elements of the POCL Service Infrastructure to enable testing at the model office site. The Contractor shall install Equipment equivalent to forty-eight (48) Counter Positions at the model office site. **(R925)**

3.4. Live Trial

3.4.1. The live trial shall initially take place in the number of Outlets referred to in paragraph 2.7 of Schedule L1.

3.4.2. The live trial shall not start until the model office test has been successfully completed. **(R925)**

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SCHEDULE N01 – NETWORK BANKING SERVICE DEFINITION

Version Reference	Reason for Change	Frozen/Issue Date
4.0	New Schedule to introduce the Network Banking Service	19/06/02

1. INTRODUCTION

1.1 This Schedule details the Network Banking Service ("NBS") and the NB System required to support the operational use of the NBS which the Contractor shall provide.

1.2 Requirements, functionality and/or services which will not be supported by or are excluded from the scope of the NBS are set out (without limitation) in Annex 1 to this Schedule N01.

1.3 **Not used.**

1.4 The NBS constitutes the elements of End to End Banking (supporting Banking Transactions) that are within the Service Boundaries referred to in paragraph 2.8 of this Schedule N01 for which the Contractor shall have responsibility.

1.5 All references in the form "NBRXXX" or "PPRXXX" (or similar) which follow at the end of provisions of this Schedule N01 are references to POCL's requirements which correspond to those provisions. However, all such references are for each party's internal reference and information use only and none of those references, or the requirements to which they relate, shall be relevant either in construing or interpreting any of the provisions of this Schedule N01 or otherwise in determining the extent of Contractor's obligations.

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2. SCOPE OF THE NBS

2.1 In developing the NBS, the Contractor shall:

2.1.1 use the message server elements of WebRiposte [NBR022] (but not the Framework or Asset Manager);

2.1.2 ensure that the Counter Equipment configuration and specification set out in the CCD entitled "*Counter Hardware Design Specification" (BP/DES/003)* will not need changing for the introduction of the NBS (and in particular that no memory upgrade to counter equipment will be necessary or carried out), other than for PIN Pads in accordance with paragraph 2.7 of this Schedule; and

2.1.3 ensure that Banking Transactions shall be in a standard format for all Banks, and shall be driven by POCL Reference Data e.g. each type of Banking Transaction shall be Bank independent with the context being set by the IIN. [NBR023]

2.2 **Not used**.

2.3 The NBS shall be available at all automated Counter Positions, mobile configurations (as described in row 8 of Annex 5 to Schedule A12), operational sets of Counter Equipment which are not Counter Positions ("Admin Positions") and trolley based solutions in Outlets in each case wherever there is a network connection, unless otherwise specified by POCL, subject to the overall limits applicable to each as set out in Schedule A12.

2.4 The availability of the NBS in any other location in addition to the locations specified in paragraph 2.3 shall be dealt with through the Change Control Procedure.

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2.5 Subject to the overall limits set out in Schedule A12, in relation to those Outlets and Admin Positions where there is no network connection point or where POCL or its Agents do not use such connection provided to it the NBS software shall be installed but will not be able to commence or perform Banking Transactions. The NBS software installed in those Outlets and Admin Positions shall not be kept up to date with new NBS Releases or Reference Data other than by way of the Optional POCL Services (if any) introduced by CCN 898. [NBR053, NBR235]

2.6 The Contractor shall inform POCL monthly of any operational and external technical constraints which relate to the allocation of Outlets where the NBS is available between the categories set out in sub-paragraphs 2.6.1 - 2.6.4 of this Schedule N01 which shall apply in addition to the constraints agreed between the parties and specified in the CCD entitled *"Horizon New Service Business Volumes"* (PA/PER/031). The Contractor shall each month carry out an initial allocation of those Outlets where the NBS is available between the categories set out in sub-paragraphs 2.6.1 - 2.6.4 of this Schedule N01. POCL shall be entitled each month to change the Contractor's initial allocation of Outlets where the NBS is available between the categories set out in sub-paragraphs 2.6.1 - 2.6.4 of this Schedule N01 within such constraints notified by the Contractor on a monthly basis and within the constraints specified in the CCD entitled *"Horizon New Service Business Volumes"* (PA/PER/031).

2.6.1 Bronze Service Outlet;

2.6.2 Silver Part Time Service Outlet;

2.6.3 Silver Daytime Service Outlet; or

2.6.4 Silver 24 Hour Service Outlet.

2.7 **PIN Pads**

2.7.1 Subject to paragraph 2.7.2, the Contractor shall ensure that all automated Counter Positions where the NBS is available (as set out in paragraphs 2.3

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and 2.4 of this Schedule) shall have the capability to support the use of PIN Pads. [PPR010] [NBR066]

2.7.2 PIN Pad support provided by the NBS shall be for the purposes of Customer Verification and change of PIN, and no other purpose. [NBR250] [PPR001] [PPR012] [NBR431] It shall be possible to add additional Banking Transactions through the Change Control Procedure and the Contractor shall design the NBS so as not to inhibit such additions. PIN Pad support provided for CAPO shall be no different to that provided for any other Bank.

2.7.3 **Not used.**

2.7.4 The specification for the interface and interaction required between PIN Pads and other elements of the NB System shall be documented in the CCD entitled *"Generalised API for OPS/TMS" (TD/STD/004).*

2.7.5 The NB System/Counter Clerk dialogue required for Customer Verification by PIN entry shall be as documented in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003).* [NBR250] [PPR002] [PPR014]

2.8 The NBS shall be bounded by Service Boundaries with the following computer systems:

2.8.1 NBE;

2.8.2 POCL RDS; and

2.8.3 TIP Gateway,

as specified in the relevant AIS and TIS.

2.9 The Contractor shall be responsible for provision of, security of, and management of the communications link between the Data Centres and the NBE (which for the

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purposes of this schedule shall include the physical routers, encryption devices, file transfer management servers and associated cabling), subject to POCL complying with (and ensuring that any third party POCL uses for siting or storage of such equipment complies with) the following:

2.9.1 provision of a suitable physical operating environment for the Contractor's equipment used for or in connection with the communications link including the following:

(a) ensuring the physical security of all equipment which is located on POCL and/or any such third party's premises to protect against unauthorised access; and

(b) provision of environmental conditions as reasonably required by the Contractor,

2.9.2 permitting the Contractor to gain access (at reasonable times and on reasonable notice) to all locations where such equipment is held or is to be installed, in order to enable the Contractor to effect or procure the installation, maintenance, repair, renewal and support of such equipment.

2.10 For the purposes of paragraphs 2.11 and 2.12 of this Schedule N01:

"**NB System Design Information**" means information concerning the design and characteristics of the NB System held by the Contractor but not available to POCL; and

the "**Purpose**" means the operation of End to End Banking and the integration of the NB System with other elements of End to End Banking.

2.11 The Contractor shall supply or give access to POCL such NB System Design Information as POCL reasonably requires for the Purpose, subject to the following conditions and restrictions:

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2.11.1 the provision of copies of or access to NB System Design Information to POCL by the Contractor shall be subject to such confidentiality provisions and restrictions on disclosure or access as the Contractor may reasonably specify, taking into account the sensitivity of the particular System Design Information concerned and any obligations of the Contractor to third parties in respect of that NB System Design Information; and

2.11.2 where the Contractor is restricted or prohibited by binding obligations to third parties from disclosing NB System Design Information to POCL:

(a) the Contractor shall use all reasonable endeavours to procure the mitigation and release of those restrictions or prohibitions; and

(b) the Contractor shall not be obliged to disclose to POCL any NB System Design Information which it is prohibited from so disclosing.

2.12 POCL shall not use NB System Design Information for any purpose other than the Purpose.

2.13 The provisions of paragraph 2.11 and paragraph 2.12 of this Schedule N01 shall be in addition to and without prejudice to the provisions of Clause 607 of this Codified Agreement.

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3. INTERFACES

3.1 The data flows and the NBS interfaces at the Service Boundaries referred to in paragraph 2.8 of this Schedule N01 and the responsibilities of each party for the transmission and receipt of data in either direction across those interfaces shall be as set out in the AISs and TISs applicable to those interfaces. [NBR285]

3.2 The interfaces between the Data Centre and the NBE shall support the transmission of data defined in the CCD entitled "*NBE – Horizon Application Interface Specification" (NB/IFS/008)*. The technical detail of the interfaces between the Data Centre and the NBE shall be defined in the CCD entitled "*Technical Interface Specification – Horizon to NBE" (NB/IFS/009)*. The procedures which each party shall follow and the responsibilities of each party in respect of the transmission of Requests, Authorisations, Confirmations, D Messages and any other data to be transmitted between the Data Centre and NBE interfaces shall be defined in the Working Document entitled "*NBE Operational Level Agreement*".

[NBR050, NBR285, NBR020, NBR219, NBR037, NBR045, NBR109, NBR147, NBR202, NBR228, NBR277, NBR286, NBR536, NBR537, NBR252, NBR278]

3.3 The interfaces between the Data Centre and TIP shall support the transmission of data (to be used by POCL for Banking Transaction settlement and exception reporting) from the DRSH to the TIP Gateway as documented in the CCD entitled "*Network Banking End to End Reconciliation Reporting" (CS/SPE/011)*. The Contractor shall update the TIS required for those interfaces for approval by POCL, such approval not to be unreasonably withheld. [NBR109] [NBR147]

3.4 The interfaces between the Data Centre and POCL RDS shall support the transmission across those interfaces of POCL Reference Data for the NBS as documented in the AIS entitled "*AIS Reference Data to Pathway*" ([BP/IFS/010]).

3.5 The Contractor and POCL shall agree from time to time the procedures which each party shall follow and the responsibilities of each party in respect of the transmission of POCL Reference Data which shall be documented in Working Documents.

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3.6 The Contractor shall use all reasonable endeavours to update the CCD entitled *"Generalised API for OPS/TMS"(TD/STD/004)* to describe the NB Counter Application interfaces as developed by the Contractor by the date three months after the NBS Acceptance Date and shall in any event do so by the date six months after the NBS Acceptance Date.

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4. NBS QUALITIES

4.1 Extensibility

4.1.1 The NBS shall support, through changes to or the introduction of appropriate Reference Data, the introduction and removal of new instances of and changes to each of the items listed in the table below for the purposes of the NBS. The initial allocation of each of the items to the classifications described in the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058)* shall be as specified in the table below. The parties may agree to vary the allocation of the items from time to time, such variation to be documented by the Contractor in the Working Document entitled *"Reference Data Change Catalogue" (CS/IFS/001).*

Item type (and, where different, the description of such item used in the CCD entitled *"AIS Reference Data to Pathway" (BP/IFS/010))*	Introduction classification (as described in the CCD entitled *"ICL Pathway/PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058))*	Change classification (as described in the CCD entitled *"ICL Pathway/PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058))*
Bank issuer schemes (CCD description – Issuer scheme)	Advanced Complex	Advanced Complex – unless name change only, in which case High Risk
Banking operation	Advanced Complex	Advanced Complex – unless change to presentation sequence only, in which case High Risk

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IINs for an existing Bank card (CCD description - IIN range)	High Risk	High Risk
NB Token element definitions (CCD description - Bank card and bank card element)	Advanced Complex	Advanced Complex
Method of data entry (CCD description – Permitted method of entry)	High Risk	High Risk
NBE Routing IDs, item names, minimum value, maximum value, multiple allowed value	N/A (Reference Data used in the Existing Services – except NBE Routing ID which is a new element within the existing item history record)	N/A (Reference Data used in the Existing Services - except NBE Routing ID which is a new element within the existing item history record)
Screen displays, changes to menu hierarchy, new desktop buttons, help text and picklists	N/A (Reference Data used in the Existing Services)	N/A (Reference Data used in the Existing Services)
MCWP and MAAWP (NB: Not described in the CCD entitled "*AIS Reference Data to Pathway" (BP/IFS/010)*)	N/A (as both are system parameters, they may be changed but can not be introduced)	System Parameter – Pure

[NBR405, NBR401, NBR404, NBR406, NBR023, NBR168]

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4.1.2 **Not used.**

4.1.3 The introduction of changes to and new instances of items specified in paragraph 4.1.1 of this Schedule N01:

(a) shall be in accordance with the procedures and timescales as specified in the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058)* The CCD shall be updated by the Contractor before the start of the Full E2E Testing Stage to include the procedures for dealing with items classified as System Parameter - Pure and any other new procedures for introduction of and changes to those items and in that first updated version of that CCD, it shall be provided that changes to an item classified as System Parameter – Pure, insofar as such changes are undertaken by the Contractor shall take no more than 2 working days;

(b) shall be effected using only the functions and processes used for introduction of and changes to Reference Data for the Existing Services;

(c) shall not cause to be exceeded:

(i) any limit or range in respect of any such item (including, without limitation, limits or ranges on the number of IINs) where such limit or range is specified in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*; and/or

(ii) if no such limit or range is specified in that CCD then a reasonable limit or range [NBR025];

and

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(d) shall not cause to be exceeded the limits in respect of the rates of change of introduction of and/or changes to any such item specified in the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058).* [NBR025] [NBR024] [NBR416]

4.1.4 POCL shall be responsible for verifying and validating all NBS related POCL Reference Data for use in End to End Banking, save to the extent that the Contractor is obliged to do so (for the purposes of the use of such POCL Reference Data within the POCL Service Infrastructure) in accordance with paragraph 4.1.3 of this Schedule N01. For the avoidance of doubt, the Change Control Procedure shall be used if POCL requires, in connection with the introduction of any of the items referred to in paragraph 4.1.1, Reference Data validation or testing of the NB System (or any element thereof) outside the scope of the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058).*

4.1.5 For the avoidance of doubt, where POCL Reference Data contains future fields which are not enabled at the time of introduction of that POCL Reference Data as set out in the CCD entitled *"AIS Reference Data to Pathway" (BP/IFS/010)*, the Contractor shall not carry out any processing of data in those fields until use of such fields is agreed through the Change Control Procedure. [NBR410, PPR014]

4.1.6 The Contractor's charges and rates for the creation and the introduction of new icons shall be as set out in Schedule A12.

4.2 Integration with Existing Services

The NBS shall coexist with the Existing Services and the NBS shall appear as another service at automated Counter Positions alongside the Existing Services.

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Banking Transactions shall be reflected in EPOSS (including integration in Customer Sessions) and the Cash Account. The counter dialogue for the NBS shall be as documented in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (NB/SPE/003) and by the applicable date specified in the NB Project Plan the Contractor shall propose and POCL shall agree (such agreement not to be unreasonably withheld) any enhancements required to the CCD entitled *"Horizon OPS Style Guide" (SD/STD/001)* for the NBS. [NBR448 NBR493, NBR159] [NBR028]

4.3 Reference Data

Components of the NBS shall be controllable by Reference Data defined in the AIS referred to in paragraph 3.4 of this Schedule N01 such that new or changed items referred to in paragraph 4.1.1 of this schedule may be introduced under Operational Business Change or the Change Control Procedure, as applicable. [NBR460]

4.4 POCL Reference Data Distribution

4.4.1 On and after the applicable date specified in the NB Project Plan, POCL shall be responsible for generating and transmitting (as reasonably required by the Contractor) test Reference Data to the Contractor's RDMC. [NBR096]

4.4.2 POCL Reference Data used in the NBS shall be processed in accordance with the CCD entitled *"ICL Pathway/ PON Interface Agreement for Operational Business Change – Product" (CS/PRD/058)* once that CCD has been amended in accordance with paragraph 4.1.3 (a) of this Schedule N01. [NBR025]

4.4.3 , POCL shall be responsible for ensuring that POCL Reference Data is introduced and is effective in the NBE no later than the date and time on which it is due to be made effective in the NBS by the Contractor and that POCL Reference Data shall continue to be valid in the NBE until a date and time no earlier than that on which it is due to cease to be valid in the NBS.

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Subject to the lead times in the CCD entitled "*ICL Pathway/ PON Interface Agreement for Operational Business Change – Product*" (*CS/PRD/058*) the Contractor shall ensure that POCL Reference Data is implemented in the NBS on the date and time specified by POCL and that it remains valid until the expiry date and time specified by POCL. [NBR418]

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5. COUNTER POSITION FUNCTIONALITY, PROCEDURES AND PERFORMANCE

5.1 Supported Tokens and Transactions

5.1.1 The Tokens which shall be supported by the NBS ("NB Tokens") and shall be used to initiate Banking Transactions exclude smart cards [NBR063] and are limited to those which:

(a) have a magnetic stripe; [NBR001]

(b) conform to ISO 7810, 7811, 7812, 7813; [NBR394] [NBR395] [NBR396] [NBR397] [NBR501] and

(c) relate to a single account (including multiple account cards where these automatically default to a single account). [NBR165]

5.1.2 The Transactions which shall be supported by the NBS ("Banking Transactions") are listed in the table below:

Cash Deposit
Cash Withdrawal
Balance Enquiry
Cash Withdrawal with Balance
Withdraw Limit
Change of PIN at PIN Pad

[NBR001] [NBR003] [NBR004]

5.1.3 In addition, the NBS shall provide capability for further types of Banking Transaction to be supported but the Contractor shall not develop that capability for any further types of Banking Transaction unless and until agreed under the Change Control Procedure.

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5.1.4 Banking Transactions in the table above shall all be carried out across on-line network communication links between the NB System and the NBE. [NBR009]

5.1.5 Where required in respect of a Banking Transaction in accordance with the terms of this Schedule, Customer Verification shall take place in accordance with paragraph 5.8.2 of this Schedule N01.

5.1.6 The Banking Transactions (and underlying POCL Products) and Issuer Schemes (as such expression is defined in the CCD entitled "*AIS Reference Data to Pathway" (BP/IFS/010)*) supported by the NBS for each type of NB Token shall be identified by the Contractor through the POCL Reference Data associated with the IIN contained in each NB Token. [NBR006, NBR429, NBR018]

5.2 Application Principles

5.2.1 POCL shall be responsible for the integration of the NBS and the NB System into End to End Banking.

5.2.2 The NB Counter Application shall comply with the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*. POCL Reference Data held locally in Outlets shall be used by the NB System to determine the appropriate counter dialogue for each Banking Transaction. Each type of Banking Transaction may involve a number of different dialogues between the NB System and the Counter Clerk and between the PIN Pad and Customer, depending upon a number of variable factors (such as, without limitation, whether, and if so what method of Customer Verification is required in respect of a Banking Transaction). Prompts to Counter Clerks displayed by the NB Counter Application shall be standard for all Banks. The principles upon which text is to be generated by the NB Counter Application and displayed to Counter Clerks and text displayed to Customers on a PIN Pad, together with specific agreed text

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shall be as set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003).* [NBR451, NBR439] [PPR011, PPR021, PPR023]

5.2.3 **Not used.**

5.2.4 The front-end processes for the Existing Services (e.g. menu hierarchy) shall be reviewed and modified if reasonably necessary (subject to the Change Control Procedure) in order to support the NBS functionality [NBR463]. The NB System shall be integrated within the POCL Service Infrastructure such that a Counter Clerk shall be able to serve a Customer by carrying out any of the various types of Transaction supported (e.g. OBCS, EPOSS, APS and NBS) as required by that Customer and all Transactions for that Customer shall be included in the same EPOSS Customer Session. For the avoidance of doubt, a Banking Transaction shall not automatically conclude a Customer Session even if it brings the balance to zero. [NBR448, NBR450]

5.2.5 **Not used.**

5.2.6 Input of Banking Transaction data by Counter Clerks at Counter Positions shall be supported by touch screen and keyboard in combination or separately, as described in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003).* [NBR438, NBR484]

5.2.7 All Transactions shall be conducted under a common access control regime such that a Counter Clerk is required to log-on once only (providing only their allocated user identification and password) in order to make use of both the NBS and Existing Services. [NBR449]

5.2.8 Reference Data held locally in Outlets shall be used to carry out initial validation of NB Tokens presented by Customers for the purpose of carrying out Banking Transactions. [NBR240]

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5.2.9 Once a Banking Transaction has been initiated, and a Request generated, that Banking Transaction shall be completed and the Banking Transaction outcome added to the EPOSS transaction stack before any other Transaction can commence. [NBR468]

5.2.10 **Not used.**

5.2.11 The NBS shall operate in a single currency and Banking Transactions shall be recorded in that currency which, unless agreed otherwise under the Change Control Procedure, shall be sterling. The Contractor shall design the NB System in a way which will not preclude a future development to transact business in EUROs. However any such development shall be subject to agreement through the Change Control Procedure. [NBR153]

5.2.12 The NB Counter Application shall be designed and implemented to minimise (within the constraints associated with performing Banking Transactions in accordance with the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*) and the constraints imposed by the Hardware and the development tools connected with the Software used to develop the NB Counter Application) the counter times for the system processing elements particular to each variation of a Banking Transaction involving data entry via screen or keyboard (and not using an NB Token swipe). The CCD entitled *"Generalised API for OPS/TMS" (TD/STD/004)* shall be updated to reflect the design characteristics and limitations of the NB Counter Application as implemented. [NBR447]

5.2.13 Banking Transaction data that the Contractor is responsible for shall be recorded at source to ensure the integrity of that data. [NBR453]

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5.2.14 The NB Counter Application shall provide a print preview facility incorporating all details on the NB Receipt to enable the Counter Clerk to produce a manual NB Receipt in the event of printer failure. [NBR155]

5.3 Transaction Flow

5.3.1 Banking Transactions shall follow the RAC0C1 Model. [NBR038, NBR020] Requests, Authorisations and C0 Confirmations shall be processed using on-line network communication links between the NB System and NBE. [NBR038] The C1 Confirmations committed to the transaction stack shall be replicated in the manner used for Existing Services. [NBR021]

5.3.2 The date/time stamp which shall be inserted in Requests shall be based on the local time in the relevant Outlet, as present on Counter Equipment in that Outlet. Such date/time stamps shall be carried through any dialogue with a Bank (in Requests, Authorisations and Confirmations) and the Customer receipts to ensure consistency. [NBR157]

5.3.3 The Request, Authorisation and Confirmations for each Banking Transaction shall have a common identifier as defined in the CCD entitled *"NBE – Horizon Application Interface Specification" (NB/IFS/008)* which is unique to that Banking Transaction. [NBR158, NBR536]

5.3.4 The C1 Confirmation shall form part of the associated EPOSS Transaction such that a message shall be recorded at the Outlet at the end of a Customer Session in addition to any C0 Confirmation recorded at the Outlet during a Customer Session. [NBR182]

5.3.5 C1 Confirmations shall be generated in all cases where a Request has been generated. C0 Confirmations will be generated and transmitted on-line to the NBE if:

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(a) a Banking Transaction is Declined at the Counter Position (unless a Decline has been received from the NBE);

(b) a Banking Transaction is failed at the Counter Position; or

(c) there is system time-out either at the Counter Position or at the Authorisation Agent such that an NBE Authorisation is not received at the Counter Position for a corresponding Request.

5.3.6 POCL shall be responsible for ensuring that the NBE supports receipt of C0 Confirmations sent to the NBE, and is able to generate C4 Confirmations to the DRSH, as applicable.

5.4 Processes and Procedures

5.4.1 The Contractor shall develop for agreement by POCL (such agreement not to be unreasonably withheld) clear and unambiguous processes and procedures for the operation of the NBS in Outlets. The Contractor shall document such agreement in a PPD (the "NB PPD") and such other PPDs as the parties agree to be appropriate. However, until such time as the NB PPD is agreed by the parties, the processes and procedures to be followed at Counter Positions shall be those set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*). The parties intend that the content of the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*) which needs to be maintained after completion of development of the NBS shall be included in such other CCDs as the parties agree to be appropriate and references in this Schedule N01 to that CCD will be replaced as appropriate. [NBR232, , NBR463, NBR026].

5.4.2 The Contractor's Help Desk and the NBSC processes for dealing with enquiries from Outlets in connection with the NBS shall be enhanced by the Contractor and POCL respectively to support the NBS and each party shall ensure that it follows any related new procedures. [NBR248, NBR046, NBR047, NBR452] [NBR272]

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5.4.3 In addition to its obligation in paragraph 5.4.2 of this Schedule N01, POCL shall be responsible for providing a support desk service which in respect of the NBE and its associated links to LINK and/or Banks, shall act as a central point for obtaining information on the working state of the NBE, and shall be responsible for notifying the Contractor of any scheduled interruptions. Such support desk service shall be the reporting point for the Contractor to log faults in systems and services outside the POCL Service Infrastructure and shall be responsible for progressing the resolution of faults and for notifying the Contractor when faults have been resolved. A description of the service operation of such support desk shall be documented in the Working Document entitled "ICL Pathway/POCL Interface Agreement for the NBSC and HSH Interface" *(CS/IFS/007)*.

5.4.4 POCL shall ensure that all Users of the NBS in Outlets are trained in the use of the NBS within their role and the procedures as set out in the NB PPD. Each User shall be so trained prior to using the NBS, POCL shall be responsible for the production of the relevant training material.

5.4.5 To enable POCL to design and develop training for NBSC personnel the Contractor shall provide in a timely manner such accurate information about the NBS (beyond that which is contained in the NB PPD or other NBS related CCDs) as may be reasonably requested by POCL.

5.5 Counter Environment

The counter environment for the NBS shall comply with the CCDs entitled "*TMS Architecture Specification*" *(TD/ARC/029)* and the "*OPS Architecture Specification*" *(TD/ARC/030)* which shall be updated by the Contractor before the start of NBS Tests to include the amendments required to those CCDs to reflect changes to the counter environment required for the NBS including, without limitation, the development, introduction and use (for the purposes of the NBS) of WebRiposte, the

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NB Counter Application, new POCL Reference Data objects, PIN Pads, and any consequential changes to the counter environment to be made by the Contractor.

5.6 Customer Sessions

5.6.1 Banking Transactions shall be carried out within a Customer Session.

5.6.2 Each Banking Transaction shall be separate from other Banking Transactions, such that, for example, a deposit and a withdrawal by a Customer shall be two separate Banking Transactions with no system relationship between them. [NBR151]

5.6.3 The NBS shall ensure that Session Mobility is prohibited between the start of a Banking Transaction and the time that the C1 Confirmation is written to the transaction stack. [NBR070]

5.6.4 The NBS shall ensure that suspend session as described in Requirement 825 of Schedule A15 of this Codified Agreement is prohibited between the start of a Banking Transaction (as described in paragraph 5.7.2(a) of this Schedule N01) and the time that the C1 Confirmation is written to the transaction stack. [NBR071]

5.6.5 The NBS shall ensure that forced end of session shall not compromise the integrity of the RAC0C1 Model. [NBR072]

5.7 Data Capture

5.7.1. The NBS shall enable the Counter Clerk to capture certain details from the Customer's NB Token electronically or manually (as described in this paragraph 5.7 below), select the Banking Transaction type (e.g. withdrawal) required by the Customer and the details of that Banking Transaction (e.g. withdraw £50). Banking Transactions shall be capable of being initiated

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only when in the serve customer mode described in the CCD entitled *"Generalised API for OPS/TMS" (TD/STD/004).*

5.7.2 For the purposes of data capture, the NBS shall operate in accordance with the following principles and in compliance with the provisions applicable to data capture set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*):

(a) Initiation of Banking Transaction shall occur when a NB Token is swiped through and recognised by the magnetic card reader, or when the Counter Clerk manually selects a Banking Transaction (e.g. because the NB Token swipe fails) using the keyboard or touch screen. [NBR164] [NBR486]

(b) The IIN recorded on the NB Token in conjunction with the method of data entry and whether or not a PIN Pad has been installed shall determine the Banking Transactions which the NBS shall support for that NB Token. [NBR006] A separate NB Token swipe will be required:

(i) for each individual Banking Transaction; and

(ii) unless a PIN is determined to be invalid at the Outlet, if an incorrect PIN is input to the PIN Pad.

(c) Once the NB Token details have been successfully captured and validated in accordance with paragraph 5.8.1(a) of this Schedule N01, only the Banking Transactions available to the Customer using that NB Token shall be selectable. The Counter Clerk shall be prompted to select the Banking Transaction type required and, in the case of cash deposits and cash withdrawals (excluding Banking Transaction type "Withdraw Limit") to enter the appropriate financial amount in the prevailing currency.

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(d) Following Banking Transaction initiation by manual selection, once data entry is complete, the Banking Transaction data flow shall be the same as for a Banking Transaction initiated by NB Token swipe, with the NB Counter Application recording that initiation was manual rather than automatic. [NBR536]

5.8 NB Token Validation and Customer Verification

5.8.1 NB Token Validation

NB Token Validation shall operate in accordance with the following principles and shall be carried out in accordance with the provisions applicable to NB Token Validation set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"*. (*NB/SPE/003*):

(a) NB Tokens shall be validated against Reference Data held locally in Outlets, and Banking Transactions shall be terminated where such validation fails. [NBR240] [NBR168] [NBR007] [NBR008] [NBR033]

(b) Multiple and minimum Banking Transaction limits shall not apply to the Banking Transaction type 'Withdraw Limit'. [NBR166, NBR168, NBR430]

(c) If before a Request is generated, the Banking Transaction is abandoned by the Counter Clerk or terminated at a Customer's request, no C1 Confirmation, C0 Confirmation or other record of that attempted Banking Transaction shall be recorded by the NB System. [NBR008]

(d) Following successful validation of the NB Token, a screen prompt shall tell the Counter Clerk to perform the agreed checks.

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documented in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*). [NBR161]

5.8.2 Customer Verification

Customer Verification shall operate in accordance with the following principles and shall be carried out in accordance with the provisions applicable to Customer Verification set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*):

(a) In respect of each Banking Transaction, whether or not Customer Verification is required, and if required the verification method applicable, shall be identified through the POCL Reference Data held locally at Outlets associated with the IIN contained in the NB Token presented to the Counter Clerk. Each method of verification shall be able to operate independently of the others (e.g. it will not be necessary to have installed a PIN Pad in order to operate functionality associated with Customer Verification by signature comparison). If Customer Verification is required the method used shall be one of the following:

- Verification by the Counter Clerk comparing the Customer's signature with that on the NB Token, as the only method
- Verification involving the Customer entering a PIN using the PIN Pad, as the only method; or
- Verification by signature comparison as an alternative to PIN entry, where the PIN Pad is not available by reason of it not having been deployed in accordance with Schedule G12.

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[NBR002] [NBR250] [NBR251] [NBR585] [NBR152] [PPR001] [PPR002] [PPR014]

(i) Verification by signature comparison

The result of verification by signature comparison shall be recorded in the C1 Confirmation and, as applicable, in any C0 Confirmation produced for the relevant Banking Transaction. [NBR173]

(ii) Verification by PIN entry

Where a Customer's NB Token is verified by PIN entry, the encrypted PIN value shall be encapsulated in the Request and the outcome (e.g. whether or not the PIN value is correct) shall be returned via the Authorisation. Where verification is by PIN entry the Customer will not be required to sign a NB Receipt. The PIN shall not be displayed nor printed on any NB Receipt. [PPR071] [NBR575, NBR577] [PPR071]

(iii) Verification by signature comparison as an alternative to PIN entry

The principles set out in paragraph 5.8.2 (a)(i) of this Schedule N01 shall apply.

5.9 Request, Authorisation and Confirmation Action

5.9.1 The Contractor shall ensure that:

(a) Following successful NB Token Validation, a Banking Transaction shall not proceed unless a network connection to the Data Centre can be reasonably expected to be established to obtain on-line

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Authorisation, as set out in the CCD entitled *"Network Banking Counter Dialogue – Activity Screens & Flows"* (*NB/SPE/003*). Once that connection has been established, a Request shall be sent to the NBE, and the Banking Transaction shall only proceed if a positive Authorisation is received from the NBE and that Banking Transaction is not Declined by the Counter Clerk. In the event that the Counter Clerk Declines a Financial Transaction a C0 Confirmation shall be sent on-line to the NBE. [NBR010, NBR008, NBR011, NBR012]

(b) There shall be no local facility within an Outlet to override a Decline response in an Authorisation. [NBR156]

(c) If the Authorisation is not for the same amount as the Request, the Banking Transaction will be Declined by the NB System, except in the case of a Request for a Banking Transaction type "Withdraw Limit", which will be permitted to proceed subject to the maximum limit set by Reference Data.

(d) The MAAWP and the MCWP shall be:

(i) set as parameters in the NB System;
(ii) common for all Banks; and
(iii) configurable by Pathway Reference Data.

and in any event the MCWP shall not exceed 40 seconds.

If after the generation of a Request at a Counter Position or after the Authorisation Agent makes a Request available to the NBE a corresponding Authorisation is not received within the MCWP or MAAWP respectively, the Banking Transaction shall be Declined.

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(e) The outcome of each Banking Transaction shall be written to the EPOSS stack. Each Banking Transaction shall be identifiable to an individual Counter Clerk "log-in ID" and Stock Unit. [NBR239]

5.9.2 For the purposes of the NBS, and in particular the NBS Service Levels described in Schedule N08, the result of the following calculation:

- MCWP minus MAAWP,

(such result being referred to in this paragraph 5.9.2 as the "Additional Time") shall not be less than 15 seconds. Once set, or as otherwise specified in this Schedule changes to the MCWP and/or MAAWP where the resulting MCWP is less than or equal to 40 seconds and where the resulting Additional Time is more than or equal to 15 seconds shall be subject to change under Operational Business Change, and changes where the resulting MCWP is greater than 40 seconds and/or the resulting Additional Time is less than 15 seconds shall be subject to agreement under the Change Control Procedure. [NBR221]

5.10 Withdraw Limit

5.10.1 In the case of the Banking Transaction type "Withdraw Limit", the NBS shall not require the Counter Clerk to enter the withdrawal amount into the NB System. [NBR430]

5.10.2 Following transmission of the Request for such Banking Transaction, POCL shall ensure that the amount which is permitted to be withdrawn shall be included in the Authorisation. The NB System shall not allow the amount permitted to be withdrawn to be overridden locally at the Outlet other than by Declining the Banking Transaction. [NBR430]

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5.11 Declined Transactions

Banking Transactions shall be Declined or shall be capable of being Declined by a Counter Clerk or the NB System in accordance with the applicable processes and procedures set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*), and in particular the provisions of that CCD which relate to the:

(a) rules which govern when a Banking Transaction may or shall be Declined; [NBR008] [NBR010] [NBR458] [NBR480]

(b) NB Receipts which shall be produced when a Banking Transaction is Declined; [NBR167]

(c) prompts and messages which shall be displayed to a Counter Clerk when a Banking Transaction is Declined; [NBR480] and

(d) Confirmation messages which shall be produced in event of a Decline. [NBR167] [NBR008]

5.12 Reversed (Contra Entry) Transactions

The NBS will not support contra entries, that is Banking Transactions which negate preceding Banking Transactions to which they refer. [NBR015]

5.13 Receipts

5.13.1 NB Receipts shall be produced by the NB System in accordance with paragraphs 5.13.2 to 5.13.4 (inclusive) of this Schedule N01 and the applicable provisions of the CCDs entitled *"Network Banking Counter Dialogue – Activity & Screen Flows"* (*NB/SPE/003*) and *"Horizon OPS Reports and Receipts" (SD/DES/005).*

5.13.2 Derivation of NB Receipts

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(a) The same form of NB Receipt shall be used for all Banks for each Banking Transaction type. [NBR029]

(b) The NB System shall provide the capability for printing NB Receipts in English and bilingual NB Receipts in English and Welsh in the same manner as for the Existing Services. The language used by the NBS in printing Outlet specific headers and footers in such NB Receipts shall be determined by Reference Data. [NBR149]

(c) The NB System shall support the interpretation of messages received from the NBE in accordance with the CCD entitled "*NBE – Horizon Application Interface Specification*" *(NB/IFS/008)*) and such messages shall be printed within defined areas on NB Receipts and documented in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*. [NBR149, NBR031]

5.13.3 Production of NB Receipts

(a) The NB System shall print NB Receipts for all Banking Transactions undertaken using the NBS other than those which are abandoned before a Request is generated. [NBR030] [NBR238]

(b) An NB Receipt shall be produced where an Authorisation is received with instruction to retain the NB Token in accordance with paragraph 5.17 of this Schedule N01.

(c) The circumstances in which the NB System shall support the capability of reprinting a current NB Receipt are described in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*.

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5.13.4 Content of NB Receipts and reports

(a) The detailed content and layout of each type of NB Receipt and report and the circumstances in which they shall be printed shall be:

(i) consistent with paragraphs 5.13.1 and 5.13.2 of this Schedule N01;

(ii) as described in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*; and

(iii) documented by amendment to the CCD entitled *"Horizon OPS Reports and Receipts" (SD/DES/005)*. [NBR030, NBR032, NBR539, NBR031, NBR429] [NBR237]

(b) The NBS shall support printing of free text in agreed fields where this is received from the NBE provided the free text does not exceed the limit specified in the CCD entitled *"NBE – Horizon Application Interface Specification" (NB/IFS/008)*.

(c) The provision of information required via the NBE for printing on a NB Receipt is the responsibility of POCL.

5.14 Error Screens

Error messages displayed by the NB System shall be as set out in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*.

5.15 Settlement

For the purposes of this paragraph, "EPOSS Settlement" is the process at the end of a Customer Session whereby monies and Receipts (as appropriate) are exchanged

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between the Counter Clerk and Customer and all Transactions on the transaction stack are written to the message store. Transactions written to the message store at EPOSS Settlement shall include C1 Confirmations for Banking Transactions carried out during the relevant Customer Session. [NBR254]

5.16 Messages

5.16.1 The Authorisation received from the NBE may contain codes for translation into messages for display to the Counter Clerk or for printing on the NB Receipt (or both) and the NB System shall display or print such messages as described in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)* and in accordance with the CCD entitled *"NBE – Horizon Application Interface Specification" (NB/IFS/008)*.

5.16.2 The NB System shall display a message to the Counter Clerk asking him to notify the Customer of any fees chargeable by a Bank for the Banking Transaction requested by that Customer, provided that all required fee data is included in the Authorisation received from the NBE. [NBR150] The NB System shall allow the Customer the option to elect not to continue with that Transaction without incurring the fee, or to proceed with that Transaction with the fees as notified. [NBR150]

5.16.3 Collection of the fees referred to in paragraph 5.16.2 of this Schedule N01 shall not be supported by and is excluded from the NBS. [NBR242]

5.17 Retained NB Tokens

5.17.1 Where an Authorisation is received instructing that a NB Token be retained, the NB System shall require the Counter Clerk to indicate whether or not that NB Token has been retained and the result shall be included in the C1 Confirmation. [NBR014] [NBR252]

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5.17.2 The NB System shall print a NB Receipt when a NB Token is retained in accordance with the CCD entitled *"Network Banking Counter Dialogues – Activity and Screen Flows" (NB/SPE/003)*.

5.17.3 The production of NB Token retention reports shall not be supported by the NBS. [NBR064]

5.18 Recovery of Banking Transactions

Where a failure at a Counter Position causes Confirmation messages not to be written to the message store or to be lost before they are replicated, irrespective of whether such failure is catastrophic (requiring replacement of an element of the NB System) or temporary (cured by "re-booting") and whether such failure is at a single or multi Counter Position Outlet, the NB System shall initiate a recovery process in accordance with the CCD entitled *"Network Banking Counter Dialogues – Activity and Screen Flows" (NB/SPE/003)* (the "Recovery Process").

[NBR035, NBR176, NBR013, NBR505]

5.19 Outlet Reports

The reports that shall be capable of being generated on demand in respect of the NBS in Outlets (in relation to the Outlet in which such reports are requested) shall be in the form described in the CCD entitled *"Network Banking Counter Dialogue - Activity & Screen Flows" (NB/SPE/003)*. [NBR256]

5.20 Help Functions

The NB System shall display integrated context sensitive help messages to assist Counter Clerks at key points in the Banking Transaction as described in the CCD entitled *"Network Banking Counter Dialogue – Activity & Screen Flows" (NB/SPE/003)*. [NBR028]

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5.21 **Cash Account**

The total value of successful Banking Transactions and the aggregate number of successful and Declined Banking Transactions conducted in an Outlet shall be recorded in the Cash Account for that Outlet using the mechanisms controlled by POCL Reference Data which are used for Existing Services. [NBR017, NBR018, NBR464, NBR258, NBR263]

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6. BANKING TRANSACTION MANAGEMENT FUNCTIONALITY

6.1 Introduction

The functions of the TMS in supporting each element of the NBS shall be as set out in the CCD entitled *"TMS Architecture Specification" (TD/ARC/029).*

6.2 Interactive Communications between NBE and Horizon

The NBS shall support the RAC0C1 Model and the sequence for each Banking Transaction, as set out in the CCDs entitled *"NBE – Horizon Application Interface Specification." (NB/IFS/008)* and *"Network Banking Counter Dialogues – Activity and Screen Flows" (NB/SPE/003).* The Contractor shall document the RAC0C1 Model in detail in a Working Document within a reasonable time (and in any event not more than three months) after signature of the NBS CCN.

6.3 Bulk Agents

The TPS Agent shall harvest C1 Confirmations originating from each Outlet for transmission via the TPS Host to POCL TIP (as for EPOSS as an Existing Service) making them available to the Data Warehouse and the DRSH.

6.4 Message Store Archive

The contents of the message store in the Data Centre shall be archived to the Archive Server in accordance with the CCD entitled *"Audit Trail Functional Specification" (CR/FSP/006).*

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7. MANAGEMENT INFORMATION, AUDIT AND ARCHIVE

7.1 TPS Host

The TPS Host shall process C1 Confirmations harvested by the TPS Agent.

7.2 Transaction Recording and Archiving

7.2.1 All Banking Transaction messages (including those to and from the NBE) will be auditable consistent with the principles set out in the CCD entitled "*Audit Trail Functional Specification" (CR/FSP/006)* and an audit trail of each Banking Transaction message will be maintained for fifteen years after its creation. [NBR441, NBR016, NBR542] All such audit trails shall:

(a) have protection against unauthorised alteration and deletion;

(b) be irretrievably deleted or destroyed as soon as reasonably practicable after that fifteen year period has expired, except where POCL has requested (prior to such deletion or destruction) an Audit Record Query in connection with litigation support (in accordance with paragraph 7.3 of this Schedule N01), in which event the relevant audit trail data (extracted by the Audit Record Query) shall be retained for the duration of the associated investigation; and

(c) identify the log-on identification used for each Banking Transaction. [NBR541]

For the avoidance of doubt, the data contained in such audit trails are POCL Data.

7.2.2 It shall be POCL's responsibility to ensure that Users of the NBS, log-on with separate log-on "IDs" and do not perform Banking Transactions under a different log-on ID in order that the User responsible for each Banking Transaction may be identified from audit trail data. [NBR541]

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7.3 Information Retrieval and Audit

7.3.1 For the purposes of this paragraph 7.3:

"Banking Transaction Record Query" means a Record Query in respect of a Banking Transaction which the Data Reconciliation Service has reconciled or has reported as an exception, the result or records of which are subsequently queried or disputed by POCL or a third party;

"Audit Record Query" means a Record Query which is not a Banking Transaction Record Query and which relates to Transactions;

"Old Format Query" means the extraction of records created before commencement of NB Pilot (Soft Launch) relating to Transactions (other than Banking Transactions) meeting the Search Criteria, such extraction being limited to the following specific types of information/data fields: the ID for the user logged-on, Counter Position ID, stock unit reference, Transaction ID, Transaction start time and date, Customer Session ID, mode (e.g. serve customer), product number and quantity, and sales valuc;

"Period One" means, in respect of each Transaction the period of 90 days commencing on the date of that Transaction;

"Period Two" means, in respect of each Transaction the period commencing the day after expiry of Period One for that Transaction, expiring the earlier of the date:

(a) 18 months (in the case of Transaction records created before commencement of NB Pilot Soft (Soft Launch)) or 15 years (in the case of Transaction records created after commencement of NB Pilot Soft (Soft Launch)), after the records of that Transaction were first created; or

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(b) of completion of transfer of POCL Data (including the record of that Transaction) in accordance with paragraph 4.1 of Schedule N06 or paragraph 4.1 of Schedule A07, as applicable;

"Query Day" means each date against which an Audit Record Query or an Old Format Query is raised;

"Record Query" means the extraction of records created after commencement of NB Pilot (Soft Launch) in accordance with the terms of this paragraph 7.3 relating to Banking Transactions (and, in the case of Audit Record Queries relating to all Transactions) meeting the Search Criteria, such extraction being limited to specific types of information/data fields as follows:

- in the case of an Audit Record Query - the ID for the user logged-on, Counter Position ID, stock unit reference, Transaction ID, Transaction start time and date, Customer Session ID, mode (e.g. serve customer), product number and quantity, and sales value; and

- in the case of a Banking Transaction Record Query - Banking Transaction ID, Banking Transaction type, receipt date, receipt time, the reason code (in the case of a discrepancy) and DRSH sub-value(s) (eg C0 Confirmation, C1 Confirmation, Decline); and

"Search Criteria" means:

- in the case of an Audit Record Query or Old Format Query either of:

  (a) date or dates (not exceeding 31 consecutive days), time-range, Outlet and PAN (or equivalent identifier); or

  (b) date or dates (not exceeding 31 consecutive days), time-range and Outlet; and

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- in the case of a Banking Transaction Record Query either of:

  (a) date, time-range, Outlet and PAN; or

  (b) date, time-range and Outlet, [NBR544]

  to be specified for each individual Record Query or Old Format Query (as applicable).

7.3.2 The Contractor shall have access (such access being restricted to properly authorised Contractor staff) to records of each Banking Transaction during Period One and Period Two.

7.3.3 Limits and target times for Record Queries

(a) The table below sets out the limits on Record Queries and/or Old Format Queries which the Contractor shall be obliged to carry out and the target times for carrying out each Record Query and/or Old Format Query:

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	(1) Limits on Banking Transaction Record Queries		(2) Aggregate Limits on Audit Record Queries and Old Format Queries	(3) Limits on Old Format Queries
	Period One	Period Two	Period One and Period Two	Period One and Period Two
Limits	900 per year (on a rolling year basis) with no more than 126 in any calendar month	100 per year (on a rolling year basis) with no more than 14 in any calendar month	Subject to paragraph 7.3.6 below, the limit per year (on a rolling year basis) shall be the first of the following to be reached: (i) 550 (in aggregate) Audit Record Queries and Old Format Queries; or (ii) 7700 Query Days, and the limit per calendar month shall be the first of the following to be reached (i) 77 (in aggregate) Audit Record Queries and Old Format Queries, or (ii) 1078 Query Days	The limit per year (on a rolling year basis) shall be the first of the following to be reached: (i) 50 Old Format Queries; or (ii) 700 Query Days, and the limit per calendar month shall be the first of the following to be reached: (i) 7 Old Format Queries; or (ii) 98 Query Days.
Target Time	5 MSU Days	7 MSU Days	Subject to paragraph 7.3.4 below and applicable only in respect of Audit Record Queries, 7 working days (for queries of 14 or less days' duration) and 14 working days (for queries of greater than 14 days' duration).	Subject to paragraph 7.3.4 below, 14 working days (for queries of 14 or less days' duration) and 28 working days (for queries of greater than 14 days' duration).

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(b) The limits set out in columns numbered 1 and 2 in the table above and the provisions of this paragraph 7.3 relevant in connection with the application of those limits shall apply with effect from commencement of NB Pilot (Soft Launch).

(c) The limits set out set out in the column numbered 3 in the table above and the provisions of this paragraph 7.3 relevant in connection with the application of those limits shall apply with effect from the date of approval by both parties of the CCN which introduces the NBS (CCN[redacted]) and shall cease to be applicable 18 calendar months after the commencement of NB Pilot (Soft Launch).

(d) For the purpose of applying the limits in column 3 from the date of approval by both parties of the CCN which introduces the NBS (CCN[redacted]), the equivalent of Old Format Queries (and associated Query Days) carried out in the 12 months prior to that date shall count towards the annual limit (on a rolling year basis) and the equivalent of Old Format Queries carried out in the calendar month in which the NBS CCN is approved (prior to the date of such approval) shall count towards the limits for that month.

(e) For the purpose of applying the limits in columns 2 and 3 after commencement of NB Pilot (Soft Launch), any Old Format Queries (and associated Query Days) carried out in the 12 months prior to commencement of NB Pilot (Soft Launch) shall count towards the annual limits (on a rolling year basis) and Old Format Queries carried out in the calendar month in which NB Pilot (Soft Launch) commences (prior to that commencement) shall count towards the limits for that month

7.3.4 Where:

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(a) a new Audit Record Query or Old Format Query is received by the Contractor or POCL requires analysis of an existing Audit Record Query or Old Format Query; and

(b) a member of the Contractor's personnel is needed to deal with that new or existing Audit Record Query or Old Format Query; but

(c) that person is unavailable due to his or her attendance at court or other proceedings in connection with an Audit Record Query or Old Format Query,

the target times specified in paragraph 7.3.3 shall not apply to that new or existing Audit Record Query or Old Format Query referred to in paragraph 7.3.4 (a) which the Contractor shall instead deal with as soon as reasonably practicable.

7.3.5 For the avoidance of doubt, the limits set out in paragraph 7.3.3 in respect of Banking Transaction Record Queries shall not apply in respect of reconciliation incident management and settlement reporting carried out as a function of the Data Reconciliation Service.
[NBR260, NBR546]

7.3.6 POCL may at any time on three months' notice (such notice expiring no earlier than commencement of NB Pilot (Soft Launch) vary the aggregate limits of Audit Record Queries and Old Format Queries which the Contractor is required to carry out as specified in column numbered 2 in the table in paragraph 7.3.3,

7.3.6.1 between

(a) the limits specified in paragraph 7.3.3; and

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(b) the following substitutes for those limits (applicable on the same basis): 800 Audit Record Queries or 11200 Query Days per year on a rolling year basis, and 112 Audit Record Queries or 1568 Query Days per calendar month;

7.3.6.2 and between

(a) the substitute limits set out in paragraph 7.3.6.1(b); and

(b) the following substitutes for those limits (applicable on the same basis): 1050 Audit Record Queries or 14700 Query Days per year on a rolling year basis, and 147 Audit Record Queries or 2058 Query Days per calendar month,

and in each case the Contractor's charges in respect of dealing with any Audit Record Queries and/or Old Format Queries up to the limits as varied in accordance with this paragraph shall be as specified in part C of Schedule A12.

7.3.7 **Not used.**

7.3.8 POCL shall submit:

(a) Banking Transaction Record Queries to the Horizon System Help Desk which will pass the Record Query to the Contractor's customer service management support unit; and

(b) Audit Record Queries and Old Format Queries to the Contractor's customer service security prosecution support section.

The Contractor shall accept Record Queries and Old Format Queries only from properly authorised POCL staff.

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7.3.9 Litigation Support

Where POCL submits an Audit Record Query or Old Format Query, at POCL's request the Contractor shall, in addition to conducting that query:

(a) present records of Transactions extracted by that query in either Excel 95 or native flat file format, as agreed between the parties; and

(b) subject to the limits set out below:

(i) analyse:

- the appropriate Contractor's Help Desk records for the date range in question;
- Outlet non-polling reports for the Outlet in question; and
- fault logs for the devices from which the records of Transactions were obtained

in order to check the integrity of records of Transactions extracted by that query; [NBR260, NBR545]

(ii) request and allow the relevant employees of the Contractor to prepare witness statements of fact in relation to that query, to the extent that such statements are reasonably required for the purpose of verifying the integrity of records provided by Audit Record Query or Old Format Query, and are based upon the analysis and documentation referred to in this paragraph 7.3.9; and [NBR547]

(iii) request and allow the relevant employees to attend court to give evidence in respect of the witness statements referred to in (ii) above,

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provided that:

(iv) the Contractor's obligations set out in (i) and (ii) above shall be limited, in aggregate, to dealing with a maximum of 250 (in aggregate) Record Queries and Old Format Queries per year (on a rolling year basis); and

(v) the Contractor's obligations in the case of provision of witnesses referred to in paragraph (iii) above shall be to provide witnesses to attend court up to a maximum (for all such attendance) of 100 days per year (on a rolling year basis).

For the avoidance of doubt the target times set out in paragraph 7.3.3 for dealing with Audit Record Queries and Old Format Queries shall not apply in respect of the Contractor's obligations under paragraph 7.3.9.(b).

7.3.10 Any information requested beyond that available by Record Query and/or any witness statements or witness attendance beyond that available in accordance with this paragraph 7.3 shall be agreed on a case by case basis and shall be dealt with in accordance with the Change Control Procedure.

7.3.11 Sensitive Data included in records of Banking Transactions extracted by Record Query and provided to POCL (but, for the avoidance of doubt, not that included in records for Transactions extracted for Audit Record Queries in respect of any other POCL Service) shall be in the encrypted form in which they are held by the NB System. [NBR538]

7.3.12 Audit Access

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Reasonable access to the audit trail of Banking Transactions for POCL auditors for audit purposes shall be by request (and reasonable notice to) the Contractor's Audit Manager. [NBR444]

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8. DATA RECONCILIATION SERVICE

8.1 Introduction

The reconciliation and settlement reporting services for Banking Transactions (the "Data Reconciliation Service") are described in this paragraph 8.

8.2 Reconciliation

8.2.1 This paragraph 8.2 describes the functionality for that part of the end-to-end network banking reconciliation system required by POCL which shall be developed and operated by the Contractor as part of the NBS. Such part is referred to in this Schedule N01 as the "Reconciliation System". [NBR040]

8.2.2 POCL and the Contractor shall follow the reconciliation and incident management procedures (applicable to each of them) for the investigation, reporting and resolution of business incidents related to the NBS as set out in the CCD entitled *"Network Banking Reconciliation and Incident Management"* (*NB/PRO/002*). [NBR041, NBR500, NBR504]

8.2.3 POCL shall not unreasonably withhold or delay its agreement to the design of back end processes and Banking Transaction processing procedures required to support the reconciliation and incident management of Banking Transactions. [NBR041, NBR495, NBR496]

8.2.4 Reconciliation between counter and Cash Account

Reconciliation of EPOSS Transactions to the Cash Account shall be dealt with at summary level using the reconciliation functionality used for EPOSS as an Existing Service [NBR454]. Such reconciliation functionality shall ensure that all Banking Transactions (reflected in C1 Confirmations) are included in the Cash Account, but shall not identify erroneous Cash Account mappings which cause such Banking Transactions to be included in the

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wrong line of the Cash Account, or non-Banking Transactions to be included in Cash Account lines intended for Banking Transactions. Reconciliation to the Cash Account described in this paragraph 8.2.4 will be performed after the electronic Cash Account is produced, which will be an indeterminate time after the Transactions have been settled (in the same manner as for the Existing Services).

8.2.5 Branching data-flows

(a) The Reconciliation System shall enable reconciliation of Financial Transactions arriving at the DRSH from the following three sources: [NBR183, NBR212, NBR229]

(i) the Confirmation Agent (i.e. the C1 Confirmations received by the Confirmation Agent from the Counter Position);

(ii) the NBE (i.e. D Messages and C4 Confirmations) [NBR294, NBR389]; and

(iii) the TPS Host (i.e. the C1 Confirmations harvested by the TPS Agent as described in paragraph 6.3 of this Schedule),

which reconciliation shall be reported by the Contractor in accordance with the CCD entitled "*Network Banking End to End Reconciliation Reporting*" (*CS/SPE/011*).

In the event that a C0 Confirmation is sent to the NBE the relevant C1 Confirmation will indicate that a C0 Confirmation has been generated.

(b) The Reconciliation System shall monitor the Financial Transactions and report Banking Transaction states which are:

(i) intrinsically anomalous, in that their occurrence implies malfunction in End to End Banking; or

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(ii) anomalous in that an expected state has persisted for an unexpected duration (e.g. where C1 Confirmations are received from the Confirmation Agent and C4 Confirmations are received from the NBE but the Confirmation from the TPS Host has not been received after an abnormal delay),

identifying any such anomalous Banking Transaction states which require human analysis for resolution. [NBR042, NBR228]

(c) The expected Banking Transaction states and Banking Transaction states which constitute exceptions are those set out in the CCD entitled *"Network Banking End to End Reconciliation Reporting" (CS/SPE/011)*.

(d) The Data Reconciliation Service shall not produce reports which relate Banking Transactions included in Cash Accounts to Banking Transactions included in the Transaction files sent by the TPS Host to TIP, as these shall be covered by the reconciliation reporting and processes used for EPOSS (as an Existing Service) and for TIP.

8.2.6 Complete processing

(a) The Reconciliation System shall:

(i) ensure that all data received by it are processed;

(ii) check for completeness of Financial Transactions; and

(iii) report exceptions/anomalies for resolution as described in paragraphs 8.2.5 (b) and 8.2.5 (c) of this Schedule N01. [NBR227, NBR042]

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(b) The Reconciliation System shall not regard a Banking Transaction as complete until reported as such in accordance with the CCD entitled "*Network Banking End to End Reconciliation Reporting*" (*CS/SPE/011*).

8.3 **Reconciliation and Settlement Reporting**

The Reconciliation System shall transmit to the TIP Gateway the reports described in the CCD entitled "*Network Banking End to End Reconciliation Reporting*" *(CS/SPE/011)*) at intervals set out in that CCD. [NBR456]

8.4 Widespread Errors (as referred to in the CCD entitled "*Network Banking Reconciliation & Incident Management*" *(NB/PRO/002))* shall be dealt with in accordance with the provisions of that CCD.

8.5 The Contractor shall use reasonable endeavours to resolve all exceptions in each of the following categories within 5 MSU Days:

(a) Priority Exceptions to which the Minimum Acceptable Threshold set out in paragraph 2.4.6 of Schedule N08 does not apply, as specified in paragraph 2.4.5 of Schedule N08; and

(b) all other exceptions in any of the system state categories set out in the CCD entitled "*Network Banking End to End Reconciliation Reporting*" *(CS/SPE/011)*.

8.6 For the purposes of paragraph 8.5 of this Schedule N01, the resolution time for:

(a) Priority Exceptions shall be measured by the Contractor in accordance with paragraph 2.4.1 of Schedule N08; and

(b) all other exceptions shall be measured in accordance with the CCD entitled "*Network Banking Reconciliation and Incident Management*" *(NB/PRO/002)*.

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8.7 The Contractor shall report on a monthly basis (in the Working Document entitled *"TIP Operational Review Book"* its performance against the 5 MSU Day target referred to in paragraph 8.5 of this Schedule N01.

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9. COMPLIANCE

9.1 Subject to paragraph 9.2 of this Schedule N01, the Contractor shall after completion of NB Go Live provide reasonable co-operation and support as reasonably requested by POCL in carrying out the following activities:

(a) ISO17799 policy and system audit: a single external audit, conducted by an independent third party appointed by POCL, of the documented policies, procedures and processes adopted within each of the network banking domains to validate conformance to ISO17799. The audit shall be conducted at a mutually convenient time for all parties; and

(b) LINK compliance: as required by LINK when the POCL Services change the Contractor shall assist POCL to review LINK security compliance requirements to identify any changes required.

9.2 The Contractor's obligations to provide co-operation, support and assistance under paragraph 9.1 of this Schedule N01 shall be introduced in accordance with the Change Control Procedure and the Contractor shall not unreasonably withhold agreement to provision of such co-operation, support and assistance.

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10. SYSTEM AND DATA SECURITY

10.1 Legal and Regulatory Controls

10.1.1 Regulation of Investigatory Powers Act 2000

The security features, capabilities and related procedures provided by the Contractor in respect of the NBS shall be compliant with the requirements of Part 3 of the Regulation of Investigatory Powers Act 2000 (the "Act"). In the event that any provision of this Codified Agreement imposes an obligation on the Contractor which is inconsistent with any requirement imposed by the Act, the requirement of the Act shall prevail over the provisions of this Codified Agreement and those provisions shall cease to apply to the extent of such inconsistency.

10.1.2 Other Legal and Regulatory Controls

The Contractor shall comply with all banking laws and regulations, including all relevant instructions, standards and directions of a regulatory authority, which are in force and applicable to the Contractor on signature of the CCN to introduce the NBS into the Codified Agreement. The Contractor shall co-operate with POCL to agree any necessary changes to ensure compliance with any subsequent changes to such laws, regulations, instructions, standards and directions and the Banking Code, such changes (and the Contractor's reasonable charges in respect of such changes) to be agreed and introduced under the Change Control Procedure. [NBR503]

10.1.3 CAPO

The parties agree and acknowledge that in the event that additional or different legal or regulatory requirements arise in respect of provision of the NBS to CAPO beyond those which apply for provision of the NBS to other Banks then compliance by the Contractor with such additional or different

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legal and/or regulatory requirements and the charges for such compliance will be dealt with through the Change Control Procedure.

10.2 Security for the Existing Services

The security features, facilities and functionality of the NBS set out in this paragraph 10 shall not reduce, mitigate, add to or modify any of the Contractor's security obligations under this Agreement in respect of the Existing Services. [NBR568]

10.3 Security Standards

10.3.1 The Contractor shall adhere, in providing the NBS, to the security standards and requirements referred to in paragraph 4.1.4 (b) and (c) of Schedule A02. The Contractor shall co-operate with POCL (and shall provide such assistance as may reasonably be required by POCL) in developing POCL's network banking automation security policy, but shall not undertake any new or modified obligations arising in respect of that policy, save as may be agreed and introduced under the Change Control Procedure. The Contractor's charges in respect of such co-operation and assistance provided at any time following completion of NB Go Live shall be paid by POCL to the Contractor and calculated on a time and materials basis using the applicable Contractor's rates specified in paragraph 22.1 of Schedule A12.

10.3.2 The Contractor shall update the CCDs entitled *"ICL Pathway Security Policy" (RS/POL/002)* and *"Security Functional Specification" (RS/FSP/001)* to document the NBS security features, facilities and/or functionality provided by the Contractor in accordance with this Schedule N01. [NBR479, NBR501, NBR557]

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10.4 Security Organisation and Management

10.4.1 Security for the NBS shall be managed and organised by the Contractor in accordance with the CCD entitled *"ICL Pathway Security Policy" (RS/POL/002)* once updated in accordance with paragraph 10.3.2 of this Schedule N01. [NBR559]

10.4.2 In any investigation carried out by POCL and/or by the Contractor of any potential or actual security breach or threat, POCL and the Contractor shall report to each other (or the Contractor shall report to Consignia, if required by POCL) any actual or potential threats identified in the course of such investigation that may have a material adverse effect upon the NBS itself or End to End Banking. The Contractor and POCL shall agree the procedures by which such threats shall be reported and the methodology for investigating and resolving security incidents (including disputed Banking Transactions) associated with the NBS and/or End to End Banking. Such methodology shall be recorded by POCL in the CCD entitled *"Security Incident Management"* by the applicable date specified in the NB Project Plan and, once agreed by the Contractor (such agreement not to be unreasonably withheld), the relevant sections of that CCD setting out those procedures which impose obligations on the Contractor in respect of the NB System shall be referenced in the CCD entitled *"ICL Pathway Security Policy" (RS/POL/002)* by the applicable date specified in the NB Project Plan . [NBR563]

10.4.3 The Contractor shall not unreasonably withhold assistance requested by POCL (or by POCL on behalf of Consignia) in connection with the investigation and resolution of any actual or potential security breach or threat.

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10.4.4 The scope of the CCDs entitled "*Security Incident Management*" and "*ICL Pathway Security Policy*" (*RS/POL/002*) shall include all potential security breaches or threats, other than those arising in exceptional circumstances.

10.4.5 Where this Codified Agreement does not cover potential security breaches or threats the Contractor's charges in respect of co-operation and assistance in respect of such breaches or threats (which shall be paid by POCL to the Contractor) shall be calculated on a time and materials basis using the applicable Contractor's rates specified in paragraph 22.1 of Schedule A12. [NBR562]

10.5 Development and Maintenance

The Contractor shall comply with the relevant parts of ISO17799 in the development and implementation of the NBS. Security related assumptions and processes, upon which the NBS may depend, which are identified and/or developed by the Contractor during the design of the systems required to support the operation of the NBS shall be reported to POCL's network banking automations security working group and, as may be required by POCL, to Consignia, unless POCL requests otherwise. [NBR561, NBR560]

10.6 Network Banking Security Architecture

10.6.1 PIN Pads

(a) The use of PIN Pads and the associated cryptographic management shall be supported by the NBS. PIN Pads shall comply with the requirements of ISO 9564. The Contractor's key management for any key directly or indirectly protecting the secrecy of PIN values (together, "PIN Encryption Keys") shall comply with ISO 11568

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Parts 1 to 3. The key management scheme used between each PIN Pad and the rest of the POCL Service Infrastructure shall be the DUKPT scheme as described in section 4.7 and Appendix A of the ANSIX9.24-1998 standard. Secure remote initialisation of any PIN Encryption Keys held in PIN Pads will be put in place (by the applicable date specified in the NB Project Plan by the Contractor) for PIN Encryption Keys within the NB System using an enhanced version of the key management service and manual procedures used for the Existing Services. Until such time as remote key initialisation is in operation, the Contractor shall use secure key generation and loading processes managed in conjunction with the supplier of the PIN Pads. [NBR582, NBR506] [PPR095] [NBR575]

(b) Whenever information is passed between the POCL Service Infrastructure and the NBE the NBS shall translate any encrypted PIN value received from a PIN Pad used within the POCL Service Infrastructure into a different encrypted value, using the PIN Encryption Keys in force at the time, prior to transmission of that PIN value to the NBE. Each translation shall be performed as a result of a single call to a HSM. Any HSM used to process encrypted PIN values or PIN Encryption Keys shall be conformant to the requirements of the versions of FIPS 140-1 level 3 and ISO 9564-1 section 6.3.1 as specified in the LINK Information Security Standard issued January 2001 (subject to such dispensations from that Standard (if any) as LINK may grant from time to time). [NBR501, NBR575,] [PPR028]

(c) In the event of an actual or suspected key compromise in respect of a PIN Encryption Key used within the POCL Service Infrastructure, the Contractor shall implement key change mechanisms in accordance with the principles stated in ISO 11568 Parts 1 to 3. Where the actual or suspected compromise affects a key shared

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with the NBE the parties' obligations in respect of key change mechanisms shall be as documented in the CCD entitled *"NBE – Horizon Application Interface Specification".(NB/IFS/008)* [NBR574]

(d) The Contractor shall provide preventative measures against replay of encrypted PIN values between the PIN Pad and the Counter Position in accordance with the principles set out in the CCD entitled *"Security Functional Specification"(RS/FSP/001)* in respect of protection against replay attacks.[NBR581]

(e) PIN values shall be protected in accordance with the requirements of ISO 9564 from the point of entry to the PIN Pad to the Service Boundary with the NBE. The Contractor shall ensure that any plain-text PIN block is formatted as specified in ISO 9564 prior to encryption, that PIN values do not appear in plain text other than within a HSM as specified in paragraph 10.6.1 (b) above or within a PIN Pad and that any PIN Encryption Key used to encipher a PIN block shall not be used for any other cryptographic purpose. [NBR575] [NBR576] [NBR577] [NBR578]

10.6.2 The Counter Terminal

(a) The NBS shall provide cryptographic protection of discretionary data held on track 2 of a NB Token magnetic stripe and NB Token details entered by a Counter Clerk (which will be one of or a combination of the start date, NB Token issue number, validation period and/or expiry date, according to the specific Banking Transaction) (together, "Sensitive Data") between the NB Counter Application and the Service Boundary with the NBE. [NBR538]

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(b) Once captured, Sensitive Data shall remain encrypted whilst it is within the POCL Service Infrastructure whether in transit or in storage, save as necessary during the process of translation from encryption under keys used within the POCL Service Infrastructure to encryption under keys in force at the relevant time in the NBE. [NBR567] [NBR445] [NBR538]

(c) The technical security architecture shall differ between those Outlets with PIN Pads and those Outlets that do not have PIN Pads in that where a PIN Pad has been installed an encrypted PIN block and associated cryptographic controls will be present within the message following entry by the Customer of the PIN value. [NBR584]

10.6.3 Data transit across the POCL Service Infrastructure

(a) All NBS Request, Authorisation and Confirmation messages will be digitally signed prior to transmission. [NBR567] [NBR569] [NBR558] [NBR228] [NBR445]. For the avoidance of doubt, the use of such digital signatures is in addition to the security provided by the virtual private network deployed at the Outlet LAN and the WAN between the Outlet and the Data Centres. [NBR445]

(b) In the event of a duplicate Request being submitted to the Data Centre, which has been copied from the original Request without authority, the NBS software will identify the duplicate Request as having been originated at the Data Centre. Only Requests that originate at a Counter Position will be passed to the NBE. Furthermore if by some other means a duplicate Request is submitted, the Authorisation arising from a duplicate Request would not be processed by the Counter Position as it could not be paired with the originating Request. [NBR580]

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10.6.4 The Data Centre/NBE Interface

(a) All interface connections between the Data Centres and the NBE shall in addition to other security measures specified in this paragraph 10 be protected by a combination of firewalls and filtering routers to guard against unauthorised access, protocols and services. [NBR558]

(b) Message authentication codes ("MACs") shall be used to verify and authorise the integrity of all message or file data exchanged between the Data Centres and the NBE. The MACs shall be calculated using uni-directional MAC keys ("MAC Key"). [NBR228] [NBR445] The process and procedures which the Contractor uses for MAC computation and MAC Key management shall comply with the CCD entitled *"NBE – Horizon Application Interface Specification"(NB/IFS/008).*[NBR569] [NBR570] [NBR582] [NBR506]

(c) The Contractor's encryption devices for the network communications link between the Data Centre and the NBE (other than those located on POCL's premises or POCL's agents' premises) shall be located within the physical security boundary of the Data Centre. [NBR573]

(d) The crypto keys used by the Contractor in respect of PIN Pads shall be different from any other crypto keys used by the Contractor.

(e) The crypto keys used by the Contractor in respect of the network communications link between the Data Centres and the NBE shall

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be different from any other crypto keys used by the Contractor. [NBR573] [NBR445]

(f) The protection of encrypted PIN values in transit between the POCL Service Infrastructure and the NBE shall be performed in accordance with paragraph 10.6.1(b) of this Schedule N01. [NBR575] [NBR576] [NBR577] [NBR578]

(g) The protection of Sensitive Data in transit between the POCL Service Infrastructure and the NBE shall be as documented in the CCD entitled "*NBE – Horizon Application Interface Specification*" (*NB/IFS/008*).

(h) POCL shall ensure the security, safe keeping and proper management (as defined in ISO 11568 parts 1 to 3) of all keys shared between the Data Centre and the NBE on the NBE side of the interface between the Data Centre and the NBE. The Contractor shall ensure the security, safe keeping and proper management (as defined in ISO 11568 parts 1 to 3) of all keys which are used by it in connection with the NBS.

(i) POCL shall be responsible for ensuring that the link from the NBE to the Data Centres and information transmitted from the NBE to the Contractor across that link shall be in accordance with the CCDs entitled "*NBE – Horizon Application Interface Specification*" (*NB/IFS/008*) and "*Technical Interface Specification - Horizon to NBE*" (*NB/IFS/009*).

(j) If data received by the Contractor from the NBE is in accordance with or as described in the CCDs entitled "*NBE – Horizon Application Interface Specification*"(*NB/IFS/008*) and "*Technical*

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Interface Specification -Horizon to NBE"(NB/IFS/009) then the Contractor shall not be liable to POCL for acting in accordance with that data.

(k) If data received by the Contractor from the NBE is not in accordance with or as described in the CCDs entitled *"NBE – Horizon Application Interface Specification"(NB/IFS/008)* and *"Technical Interface Specification – Horizon to NBE" (NB/IFS/009)* then:

(i) the Contractor shall reject such data and not act upon it; and

(ii) to the extent that the Contractor can show that such data caused it to fail to comply with Service Levels under this Codified Agreement, it shall be released from such obligations and shall use reasonable endeavours to achieve such Service Levels.

For the purpose only of Clauses 102.5.1 and 102.5.2, the provisions of paragraph 10.6.4(k)(ii) of this Schedule N01 shall be deemed to be included also in Schedule A06.

(l) The Contractor shall be responsible for ensuring that the link from the Data Centres to the NBE and information transmitted from the Data Centres to the NBE across that link shall be in accordance with the CCDs entitled *"NBE – Horizon Application Interface Specification" (NB/IFS/008)* and *"Technical Interface Specification - Horizon to NBE" (NB/IFS/009).*

10.6.5 Audit

Notwithstanding any requirements in Schedule A03, any PIN values or Sensitive Data held in audit and archive logs or trails maintained by the

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Contractor shall only be held in encrypted form and not as a plain text value. [NBR577] [NBR538] The Contractor shall retain the encryption keys used to encrypt Sensitive Data but not those used to encrypt PIN values. For the avoidance of doubt the Contractor shall not be required to provide a mechanism or means to decrypt any Sensitive Data or PIN values held on audit and archive logs and trails.

10.6.6 Protection against malicious software

The Contractor shall provide in relation to the NBS such protection against malicious software (including viruses, network worms, logic bombs and Trojan horses) and such physical security as commensurate with the protection it provides in relation to the Existing Services including (to the extent not already provided):

(a) the use of logical and physical floppy drive locking mechanisms to prevent the unauthorised physical introduction of malicious software; and

(b) the installation and appropriate configuration of NBS-dedicated firewalls at the interface between the NBE and each Data Centre. [NBR589]

10.6.7 Operational System and Security Management

The NB System elements in Outlets shall be remotely managed from the Data Centres and the Contractor's other premises at Stevenage and Belfast over public bearer networks by an operational management team authorised by the Contractor. Such team shall carry out legitimate maintenance and diagnostic functions authorised in accordance with the CCD entitled *"Security Functional Specification" (RS/FSP/001)* and the Working

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Document *"Access Control Policy" ((RS/POL/003)*. All public networks between the Data Centres and the Outlets shall be protected by a virtual private network. [NBR572]

10.7 Conflict and precedence

For the avoidance of doubt, the provisions of this Schedule N01 in respect of cryptographic mechanisms (e.g. encryption key lengths) and the security architecture of the NBS shall apply to the NBS and to the extent that they differ from other provisions relating to cryptographic mechanisms set out elsewhere in this Codified Agreement (excluding the N Schedules) shall not apply to the Existing Services.

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11 PIN PADS - ADDITIONAL PROVISIONS

11.1 **Not used.**

11.2 The Contractor shall provide and maintain firmware distribution facilities from the applicable date specified in the NB Project Plan to ensure the distribution of firmware from the Data Centres to PIN Pads. The facility shall meet the software control requirements of ISO 9564. [PPR031] [NBR575]

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12. NBS CAPACITY MANAGEMENT SERVICE

12.1 For the purposes of this paragraph 12:

12.1.1 the following terms shall have the following meanings:

"Contracted Notice Period"

The meaning ascribed to it in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*;

"Design Limit"

Each of the levels defined as a Design Limit in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)* applicable to components of the POCL Service Infrastructure as specified in that CCD;

"Design Limit Notice Period"

The meaning ascribed to it in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*; and

"Scalability Threshold"

Each of the levels defined as a Scalability Threshold in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)* applicable to the components of the POCL Service Infrastructure as specified in that CCD; and

12.1.2 the Contracted Volumes, Design Limits and Scalability Thresholds shall, save as provided in paragraph 12.2, be those applicable in respect of Phase 1 (as such term is defined in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031))*.

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12.2 In the event that POCL serves a Phase 2 Notice on the Contractor, the Contracted Volumes, Design Limits and Scalability Thresholds shall, with effect from the date specified in the Phase 2 Notice, be those applicable in respect of Phase 2 (as such term is defined in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*). For the purposes of this paragraph 12.2, a "Phase 2 Notice" shall be a notice in writing given by POCL to the Contractor specifying a date, at least six months after the date of service of that notice but not earlier than 1 September 2003, on which POCL requires Phase 2 to commence.

12.3 The NB System shall support the Contracted Volumes. EFTPoS volumetrics shall be included in the capacity sizing for the NB System, to the extent and for such purposes as described in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*, and in accordance with the assumptions described in that CCD, but the introduction of EFTPoS shall be subject to agreement under the Change Control Procedure.

12.4. On each day that any of the following Contracted Volumes is exceeded the measures of the Contractor's performance for the applicable NBS Service Level(s) listed in the table below shall be disregarded on that day:

Contracted Volume (by reference to the volume sets specified in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*)	NBS Service Level (as specified in Schedule N08) measurement(s) to be disregarded
Network Banking - 5 minute (per second) Contracted Volume – CCD paragraphs 2.2.1 and 2.2.2	Request and Authorisation transmission times – paragraph 2.1 of Schedule N08
Online transactions - 5 minute (per second) Contracted Volume– CCD paragraphs 4.2.1 and 4.2.2	Request and Authorisation transmission times – paragraph 2.1 of Schedule N08
Outlet to Data Centre network – 5 minute online transaction rate (per second); 5 minute dialled transaction rate period 1 (per second);	Request and Authorisation transmission times – paragraph 2.1 of Schedule N08 and NBS reliability measures - paragraph 2.3 of Schedule N08

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5 minute dialled transaction rate period 2 (per second); and/or 5 minute dialled transaction rate period 3 (per second)CCD paragraph 5.3.1	

and the Contractor shall use reasonable endeavours to meet the applicable Service Levels (specified in the table above) on that day.

12.5 If any of the Design Limits is exceeded then this paragraph 12.5 shall apply (in addition to paragraph 12.4, as may be applicable):

(a) the measures of the Contractor's performance for:

(i) any Service Level related to data processing by the Contractor (involving either automated or manual processing or both), whether in respect of the NBS or any other POCL Service; and/or

(ii) (in the case of Help Desk calls) any of the service targets set out in paragraphs 4.3.2.1, 4.3.2.2, 4.3.2.3 and 4.3.2.4 of Schedule G10, requirement 914 paragraphs 1.164.25, 1.164.26 and 1.164.27 of Schedule A15 and solution reference 914 paragraphs 12.1.3 and 2.11.1 (targets 1, 2, 3, 5 and 6) of Schedule A16, GRO GRO

shall be disregarded to the extent the Contractor can show that failure to meet the Service Level and/or service target, as the case may be, occurred as a result of the Design Limit being exceeded. The Contractor shall use reasonable endeavours to meet those Service Levels and/or service targets during the period when the measures of the Contractor's performance are disregarded; and

(b) the Contractor shall not be in breach and shall not be liable to POCL for any failure to perform its obligations related to data processing (involving either automated or manual processing or both) and/or related to dealing with Help Desk calls, whether in respect of the NBS or any other POCL Service, under this Codified Agreement, or delay in performing such obligations, to the

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extent it can show that such failure or delay occurred as a result of any of the Design Limits being exceeded.

12.6 In the event of a Design Limit being exceeded, the Contractor shall be entitled to recover from POCL its reasonably incurred, increased costs and expenses of performing obligations under this Codified Agreement to the extent that such increased costs and expenses were the result of that Design Limit being exceeded. The Contractor shall use all reasonable endeavours to mitigate the amounts payable in accordance with this paragraph and shall provide a statement of such increased costs and expenses incurred for approval by POCL, such approval not to be unreasonably withheld.

12.7 In the event that POCL requires a Contracted Volume or a Design Limit to be increased it shall only be increased where such increase (and the amount of any additional NB System equipment required and/or the allocation of any system capacity or equipment to the NBS from any other POCL Service) has been agreed, through the Change Control Procedure, in advance of the required Contracted Notice Period or Design Limit Notice Period as applicable.

12.8 For the avoidance of doubt any proposed increase in the Scalability Thresholds shall be in accordance with the Change Control Procedure.

12.9 The Contractor shall monitor the actual volumes as against the volumes specified in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)* and shall report such numbers and resulting trends at each meeting of the Service Review Board. The Service Review Board shall review volume forecasts and may in the light of such reports, recommend changes that may be required to the CCD entitled *"Horizon New Service Business Volumes"(PA/PER /031)*. The parties shall agree volumes, trends and/or peak thresholds which, if they occur or are exceeded in live operation, shall be reported by the Contractor to the Service Review Board.

12.10 For the purpose only of Clauses 102.5.1 and 102.5.2, the provisions of paragraphs 12.2 and 12.4 of this Schedule N01 shall be deemed to be included also in Schedule A06.

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ANNEX 1 TO SCHEDULE N01

1. EXCLUDED AND UNSUPPORTED REQUIREMENTS

1.1 For the avoidance of doubt, the following features, functionality, equipment, services and/or requirements that are referenced in the POCL document "Network Banking Automations Requirements Catalogue" shall not in any respect be provided, supported, met or installed by or as part of the NBS:

1.1.1 training mode; [NBR027]

1.1.2 any form of fraud risk management service; [NBR068]

1.1.3 Banking Transactions involving cheque deposits; [NBR069]

1.1.4 any form of NBS demonstrator; [NBR186, NBR307, NBR308, NBR309, NBR310, NBR311, NBR312, NBR313, NBR314, NBR378]

1.1.5 any support for a banking transaction type "cash deposit" with provision of balance information (except as two separate Banking Transactions which may be within a single EPOSS Customer Session); [NBR467]

1.1.6 functionality associated with Bank account opening, Customer enquiries or Customer complaints; [NBR001]

1.1.7 functionality associated with delivery of NB Tokens to Outlets or Customers or receipt of NB Tokens at Outlets, "pick-up" notices, or notification of initial PIN to Customers;

1.1.8 functionality associated with NB Token reporting or redirection;

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1.1.9 resilience features over and above those provided in respect of the Existing Services, other than for the infrastructure that supports on-line Banking Transactions;

1.1.10 direct connections between the POCL Service Infrastructure and the internet; [NBR571]

1.1.11 the requirement that messages are delivered to the NBE once only, although the circumstances in which the same message may be delivered to the NBE more than once shall be the exception (e.g. during recovery from system failure) rather than the rule and shall be as specified in the CCD entitled "*NBE – Horizon Application Interface Specification" (NB/IFS/008);* and

1.11.12 extended verification procedures. [NBR152]

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SCHEDULE N02 – NBS ACCEPTANCE

Version Reference	Reason for Change	Frozen/issue date
4.0	New Schedule to introduce Network Banking Service	19/06/02

1. GENERAL

1.1 This Schedule sets out the procedures and responsibilities of each party relating to NBS Acceptance.

1.2 For the purposes of this Schedule N02:

"CAPO Testing Stage" has the meaning ascribed to it in paragraph 1.6 of Annex 1 to this Schedule N02;

"Expert" means the individual appointed by POCL and the Contractor to resolve Disputes relating to NBS Acceptance in accordance with paragraph 7 of this Schedule N02;

"High Severity" has the meaning ascribed to it in paragraph 4.4.2 of this Schedule N02;

"NBS Acceptance Date" means the date that NBS Acceptance occurs in accordance with paragraph 3.1 of this Schedule N02;

"NBS Acceptance Progress Incident" means an NBS Acceptance Incident classified for the purposes of NBS Stage Progression as high, medium or low, in accordance with paragraph 4.4.2;

"NBS Review" means a type of NBS Test described in paragraph 3.3 of Annex 1 to this Schedule N02;

"NBS Testing Evidence" has the meaning ascribed to it in paragraph 4.1.3 of this Schedule N02;

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"NBS Testing Plan" means the testing plan described in paragraph 5 of Annex 1 to this Schedule N02;

"NBS Testing Specification" means a specification described in paragraph 4 of Annex 1 to this Schedule N02;

"NBS Trials" means a type of NBS Test described in paragraph 3.2 of Annex 1 to this Schedule N02;

"NBS/NBE Testing Stage" has the meaning ascribed to it in paragraph 1.5 of Annex 1 to this Schedule N02;

"Partial E2E Testing Stage" has the meaning ascribed to it in paragraph 1.3 of Annex 1 to this Schedule N02.

2. NBS ACCEPTANCE TEST STAGES AND DOCUMENTATION

2.1 NBS Testing Stages

2.1.1 Testing of End to End Banking shall be carried out in seven stages (as described in Annex 1 to this Schedule) and one testing phase (the NB Pilot (Soft Launch) phase).

2.1.2 Testing of the NBS for the purposes of NBS Acceptance shall be carried out during the following:

(a) the NBS Testing Stage (Acceptance Stage 1);

(b) the Partial E2E Testing Stage (Acceptance Stage 3), but only if the Contractor identifies NBS Tests which may be carried out in that stage;

(c) the Full E2E Testing Stage (Acceptance Stage 4);

(d) the NBS/NBE Testing Stage (Acceptance Stage 5);

(e) the CAPO Testing Stage (Acceptance Stage 6) (subject to paragraph 2.1.3 of this Schedule);

(f) the Bank Interface Testing Stage (Acceptance Stage 7) (subject to paragraph 2.1.3 of this Schedule); and

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(g) the NB Pilot (Soft Launch).

2.1.3 Testing of Bank interfaces which are not ready and available for testing within the period from the beginning of the Full E2E Testing Stage to be agreed by the parties in accordance with paragraph 2.1.8 below shall be carried out as part of the Bank Interface Testing Stage (Acceptance Stage 7). Such interface testing shall be carried out as and when required as an additional full end to end testing stage in parallel with or, in respect of those elements of the Bank Interface Testing Stage which are not NBS Tests, subsequent to NB Pilot (Soft Launch).

2.1.4 The Contractor shall not be involved in and no NBS Tests shall take place during or as part of Acceptance Stage 2 (as such stage is described in paragraph 1 of Annex 1 to this Schedule N02).

2.1.5 The NBS Testing Stage and the Partial E2E Testing Stage shall each be independent but may run in parallel.

2.1.6 The Full E2E Testing Stage and the NB Pilot (Soft Launch) phase shall commence in accordance with the provisions of paragraph 3.2 of this Schedule N02.

2.1.7 The Contractor's NBS Acceptance Procedure obligations which relate to LINK are as set out in Annex 2 to this Schedule N02.

2.1.8 The period referred to in paragraph 2.1.3 above shall be no greater than 4 weeks and shall be agreed by the parties no later than two (2) months prior to the commencement of the Full E2E Testing Stage. In reaching agreement on a suitable period the parties shall:

(a) not unreasonably withhold agreement; and

(b) take into account the resources available to each party and the availability of testing rigs and other testing infrastructure.

2.1.9 POCL shall be responsible for ensuring that test versions of the NBE are made available (from the applicable date specified in the NB Project Plan) for the purposes of Direct Interface Tests and other testing by the Contractor of the interface between

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the Data Centres and the NBE (other than for the Contractor's unit tests, system tests and conformance tests).

2.1.10 POCL shall be responsible for preparing the contents of Direct Interface Tests to be carried out to assess conformance against the AIS and TIS requirements, and the Contractor shall agree such Direct Interface Tests (such agreement not to be unreasonably withheld or delayed).

2.2 **Documentation**

2.2.1 In addition to the CCD entitled *"NBS Acceptance Criteria" (TBA)*, the following CCDs are required for the purposes of NBS Acceptance:

(a) the *"NBS Testing Specifications"*; and

(b) the *"NBS Testing Plan"* by reference to which the NBS Tests shall be carried out (a single NBS Testing Plan may be produced which incorporates all NBS testing stages).

2.2.2 The Contractor shall use reasonable endeavours to produce drafts of the above CCDs by the date specified in the NB Project Plan for such production. POCL and the Contractor shall use reasonable endeavours in working towards approval of those documents by POCL (such approval not to be unreasonably withheld) by the date(s) specified in the NB Project Plan.

2.3 **Changes to the Codified Agreement and/or CCDs**

2.3.1 Prior to the NBS Acceptance Date, where either party requests a change to any provision of this Codified Agreement or any CCD which relates to the NBS, the Change Control Procedure shall be followed, save that POCL shall review the NBS Acceptance Criteria to determine whether any changes are required. Such changes may include:

(a) deletion of criteria that were derived from deleted provisions;

(b) addition of new criteria relating to new or extended provisions; and/or

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(c) modification of criteria relating to changed provisions.

2.3.2 Changes requested by either party to the provisions of the Codified Agreement or any CCD, and any related changes to the NBS Acceptance Criteria (identified by POCL) and/or to the relevant NBS Tests, NBS Testing Specifications and NBS Testing Plan (such changes being identified by the Contractor) shall be agreed under a single CCN.

2.3.3 If changes are made to NBS Tests that are already in progress, or have been completed, then unless the parties agree otherwise or the results of those changed NBS Tests can be derived from the results of NBS Tests already carried out those tests shall be repeated.

3. REQUIREMENTS FOR STAGE PROGRESSION & NBS ACCEPTANCE

3.1 NBS Acceptance shall occur once all of the following have been satisfied:

3.1.1 the earliest planned date as specified in the NB Project Plan for completion of NB Pilot (Soft Launch) shall have occurred;

3.1.2 subject to paragraphs 3.6 to 3.10 of this Schedule N02 all NBS Tests shall have been completed;

3.1.3 there shall be no outstanding High Severity NBS Acceptance Incidents;

3.1.4 the number of outstanding Medium Severity NBS Acceptance Incidents shall be 5 or less;

3.1.5 each Medium Severity NBS Acceptance Incident shall have an agreed rectification plan, agreement to which shall not be unreasonably withheld; and

3.1.6 each Low Severity NBS Acceptance Incident shall have a target date and if appropriate, a target Release for rectification.

3.2 NBS Stage Progression shall occur:

3.2.1 in relation to progression from the NBS Testing Stage to the Full E2E Testing Stage once all of the following have been satisfied:

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(a) subject to paragraphs 3.6 to 3.10 of this Schedule N02 all NBS Tests scheduled for the NBS Testing Stage shall have been completed;

(b) there shall be no outstanding High Severity NBS Acceptance Progress Incidents; and

(c) the number of outstanding Medium Severity NBS Acceptance Progress Incidents shall be 10 or less,

3.2.2 in relation to progression from the Full E2E Testing Stage to the NB Pilot (Soft Launch) phase once all of the following have been satisfied:

(a) subject to paragraphs 3.6 to 3.10 of this Schedule N02 all NBS Tests scheduled for the Full E2E Testing Stage shall have been completed;

(b) there shall be no outstanding High Severity NBS Acceptance Progress Incidents; and

(c) the number of outstanding Medium Severity NBS Acceptance Progress Incidents shall be 5 or less.

3.3 If the parties do not agree whether NBS Acceptance or NBS Stage Progression should occur the provisions of paragraphs 6 and 7 of this Schedule N02 relating to Dispute resolution shall apply.

3.4 A NBS Acceptance Incident or NBS Acceptance Progress Incident which following investigation by the Contractor is found to have been solely caused by a fault or deficiency in End To End Banking other than those elements of End to End Banking provided by the Contractor shall not count towards the thresholds in paragraphs 3.1 and 3.2 of this Schedule.

3.5 NBS Acceptance Incidents or NBS Acceptance Progress Incidents which result from the same failure or deficiency shall be counted as a single NBS Acceptance Incident or NBS Acceptance Progress Incident (as applicable) for the purposes of the thresholds in paragraphs 3.1 and 3.2 of this Schedule.

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3.6 If, other than as a result of a Default of the Contractor, it is impossible for an NBS Test to be carried out when scheduled in the NBS Testing Plan to be carried out then that NBS Test (a "Deferred NBS Test") shall instead be carried out by the Contractor as soon as reasonably practicable or at such later time as the parties may agree (which shall be no later than 6 months after NBS Acceptance) provided that performance on that agreed date does not, other than as a result of a Default of the Contractor, become impossible (in which event the Deferred NBS Test shall be carried out by the Contractor as soon as reasonably practicable).

3.7 The non-occurrence of a Deferred NBS Test at the time originally scheduled in the NBS Testing Plan shall not prevent NBS Stage Progression or NBS Acceptance, each of which shall be assessed on the basis of:

(a) those NBS Tests scheduled to take place for that NBS Stage Progression or for NBS Acceptance, as the case may be which are not Deferred NBS Tests; and

(b) those Deferred NBS Tests which, when rescheduled in accordance with paragraph 3.6 of this Schedule N02 are due to take place for the purposes of the next NBS Stage Progression or for NBS Acceptance, as the case may be.

3.8 If when a Deferred NBS Test is carried out after NBS Acceptance it is not successfully completed that failure shall not of itself constitute a Default under this Codified Agreement or entitle POCL to raise an NBS Acceptance Incident or NBS Stage Progression Incident.

3.9 The failure of the Contractor to carry out a Deferred NBS Test in accordance with paragraph 3.6 of this Schedule N02 shall constitute a Default under this Codified Agreement.

3.10 Paragraph 3.8 of this Schedule N02 shall not act to reduce or alter the liability of the Contractor for any breaches by it of this Codified Agreement.

4. NBS ACCEPTANCE TEST PROCEDURE

4.1 NBS Tests

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4.1.1 Each of the NBS Acceptance Criteria will be verified by one or more NBS Tests. A NBS Test may be either a NBS Trial or a NBS Review (as described in paragraph 3 of Annex 1 to this Schedule N02).

4.1.2 NBS Reviews will only be used where more direct testing methods in the form of a NBS Trial are not available or appropriate.

4.1.3 Evidence (including, without limitation, test results, test observations, data or other information) provided by the Contractor for review in relation to NBS Tests ("NBS Testing Evidence") shall by default be available to all POCL employees and contractors unless such evidence is:

(a) Confidential Information, in which case disclosure shall be governed by the provisions of Clause 607 of this Codified Agreement; or

(b) considered to be or categorised as sensitive in accordance with paragraphs 4.1.4 or 4.1.5 of this Schedule N02, in which case disclosure will be governed by those provisions (as applicable).

4.1.4 NBS Testing Evidence that can reasonably be considered to be particularly sensitive because access to such information could compromise the security of the NBS or other POCL Services will be restricted to named employees or contractors of POCL who shall be nominated by POCL to review it on POCL's behalf and access to the information shall be in accordance with such reasonable conditions as may be imposed by the Contractor.

4.1.5 Subject to paragraph 4.1.6, NBS Testing Evidence which is categorised by the Contractor (acting reasonably) as particularly commercially sensitive to the Contractor shall only be disclosed to named employees or contractors of POCL (such named individuals to be approved by the Contractor). POCL shall place such named employees and contractors under a duty to keep confidential and not disclose the Contractor's commercially sensitive information to any other person or party without the Contractor's prior written consent (which consent shall not be unreasonably withheld or delayed).

4.1.6 The Contractor shall not be entitled to categorise any NBS Testing Evidence as

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commercially sensitive where that evidence solely reflects a visible manifestation or result of the operation of the NBS or the NB System, as opposed to how the NBS or the NB System achieves that manifestation or result.

4.1.7 Sensitive information disclosed as evidence pursuant to paragraphs 4.1.4 or 4.1.5 above may also be disclosed by POCL or the Contractor to the Expert, the NBS Acceptance Management Board or the NBS Acceptance Board if such disclosure is necessary for the resolution of a Dispute.

4.1.8 The Contractor shall supply at POCL's request such supporting evidence for the completion of a NBS Test which can be reasonably regarded as necessary for POCL to validate whether the NBS Acceptance Criteria for that test have been met.

4.2 Not used.

4.3 Raising of NBS Acceptance Incidents and other occurrences

4.3.1 Subject to paragraph 4.3.6 below, a NBS Acceptance Incident shall be raised by the Contractor in each of the following circumstances:

(a) A NBS Trial fails to meet the NBS Acceptance Criteria for that trial;

(b) A document subject to a NBS Review fails to meet the NBS Acceptance Criteria for that document;

(c) An observation of a NBS Trial or of the NB Pilot (Soft Launch) demonstrates that: (i) the NBS Acceptance Criteria are not being met; (ii) the introduction of the NBS has resulted or might reasonably be expected to result in the Existing Services no longer being performed in accordance with the provisions of this Codified Agreement or no longer having the capability to be performed in accordance with the Service Levels; or (iii) the NBS will not have the capability to meet the Service Levels set out in Schedule N08 as and when required by this Codified Agreement.

In addition, the Contractor shall report to POCL any material undesirable occurrences which are not NBS Acceptance Incidents observed by it whilst conducting NBS Tests.

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4.3.2 Subject to paragraph 4.3.6 below, POCL may raise a NBS Acceptance Incident whenever POCL becomes aware of evidence that any of the above circumstances has arisen or becomes aware that the NBS Acceptance Criteria are not being met or that introduction of the NBS has resulted or might reasonably be expected to result in the Existing Services no longer being performed in accordance with the provisions of this Codified Agreement.

4.3.3 Where this Codified Agreement expressly states that the NBS will not:

(a) permit specified functions or activities; or

(b) cause certain specified behaviour,

and such functions, activities or behaviour are observed to occur during testing of the NBS then, subject to paragraph 4.3.6 below, the observing party shall (in the case of the Contractor) or may (in the case of POCL) raise a NBS Acceptance Incident.

4.3.4 If:

(a) a NBS Test is required in respect of a provision of the Codified Agreement of the type referred to in paragraph 4.3.3 of this Schedule N02; or

(b) a NBS Acceptance Incident is raised in relation to such provision,

the NBS Test or proof of resolution of that incident (as the case may be) shall take the form of a reasonable demonstration or examination that the functions, activities or behaviour referred to in paragraph 4.3.3 of this Schedule N02 do not occur. The Contractor shall not be required to demonstrate on an ongoing basis that such functions, activities or behaviour do not occur or will not occur.

4.3.5 If following a successful NBS Test or proof of resolution of a NBS Acceptance Incident as referred to in paragraph 4.3.4 of this Schedule N02, a further NBS Acceptance Incident shall (in the case of the Contractor) or may (in the case of POCL) be raised in accordance with paragraph 4.3.3 of this Schedule N02 if the applicable functions, activities or behaviour above are observed to occur again.

4.3.6 Each party shall raise a NBS Acceptance Incident as soon as reasonably practicable

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after becoming aware of such incident. However, NBS Acceptance Incidents shall not be raised in respect of any NBS Acceptance Criteria before commencement of the NBS Acceptance stage or phase designated in the NBS Testing Plan for testing those NBS Acceptance Criteria. Once NBS Acceptance has occurred no new NBS Acceptance Incidents may be raised. For the purposes of this paragraph 4.3.6, a "new NBS Acceptance Incident" means a NBS Acceptance Incident which occurs after the NBS Acceptance Date or which occurs on or before that date, but is not reported to the Contractor before the NBS Acceptance Date. Once NBS Stage Progression has occurred no additional NBS Acceptance Incidents shall be classified as NBS Acceptance Progress Incidents in respect of that NBS Stage Progression.

4.3.7 NBS Acceptance Incidents shall be raised by being reported in writing or by email by POCL or the Contractor (as applicable) to the other party's Acceptance Manager.

4.4 Analysis and classification of NBS Acceptance Incidents

4.4.1 The Contractor shall analyse each NBS Acceptance Incident and produce a written report (which shall be provided to the POCL Acceptance Manager) detailing the Contractor's proposals for:

(a) the severity classification of the NBS Acceptance Incident;

(b) related rectification activities (if applicable);

(c) re-testing dates/periods (if applicable);

(d) the severity classification of the NBS Acceptance Incident as a NBS Acceptance Progress Incident (if applicable).

The Contractor shall not be obliged to repeat the detail set out above in written reports relating to occurrences which are repeat instances of an outstanding NBS Acceptance Incident, unless the Contractor is or becomes aware that any such repeat instance arises from a cause which is different to that for other such instances where such detail has already been provided. Reference shall be made in such written reports to the original written report for the applicable outstanding NBS Acceptance Incident.

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4.4.2 Each NBS Acceptance Incident shall be classified according to its severity:

(a) for the purposes of NBS Acceptance; and

(b) if that NBS Acceptance Incident remains outstanding prior to either NBS Stage Progression, for the purposes of the NBS Stage Progression in question.

The Contractor shall propose and POCL and the Contractor shall agree (such agreement not to be unreasonably withheld) such severity classifications for each NBS Acceptance Incident in accordance with the criteria in the following table:

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Severity	Description (for the purposes of NBS Acceptance)	Description (for the purposes of NBS Stage Progression)
High	The NBS Acceptance Incident was caused by the introduction of the NBS and results in a defect which would render the NBS or Existing Services unfit for operational use.	The NBS Acceptance Incident was caused by the introduction of the NBS and results in a defect which would render the NBS or Existing Services unfit for testing during the Full E2E Testing Stage or NB Pilot (Soft Launch) (whichever is applicable) or unfit for live operational use during NB Pilot (Soft Launch) (taking into account that NB Pilot (Soft Launch) will only take place in a limited number of Outlets).
Medium	The NBS Acceptance Incident was caused by the introduction of the NBS resulting in a defect which would not prevent operation of the NBS or the Existing Services but would cause significant problems in the operational use of the NBS or one or more of the Existing Services.	The NBS Acceptance Incident was caused by the introduction of the NBS and results in a defect which would significantly prejudice the validity of the testing to be carried out in the Full E2E Testing Stage or NB Pilot (Soft Launch) (whichever is applicable).

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Severity	Description (for the purposes of NBS Acceptance)	Description (for the purposes of NBS Stage Progression)
Low	The NBS Acceptance Incident was caused by the introduction of the NBS resulting in a defect which does not have a significant effect on operational use of the NBS or the Existing Services.	The NBS Acceptance Incident was caused by the introduction of the NBS resulting in a defect which would have some but no significant effect on the validity of the testing to be carried out in the Full E2E Testing Stage or NB Pilot (Soft Launch) (whichever is applicable).
Non Incident	An incident raised by either party which, following investigation is found: (a) not to be a defect; (b) not to have resulted from the introduction of the NBS; or (c) not to fall within the high, medium or low categories set out in this column.	An incident which: (a) is not a NBS Acceptance Incident, or (b) would have no effect on the validity of the testing to be carried out in the Full E2E Testing Stage or NB Pilot (Soft Launch) phase.

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4.4.3 Not used.

4.4.4 Not used.

4.4.5 For the purpose of paragraph 4.4.2 a NBS Acceptance Incident shall be regarded as having been caused by the introduction of the NBS:

(a) if that incident is identified in a NBS Trial, NBS Review or the NB Pilot (Soft Launch); and

(b) where the behaviour of the POCL Service Infrastructure giving rise to that incident (i) has not been previously observed, or (ii) had been previously observed in relation to the Existing Services but such behaviour had been resolved prior to commencement of testing of the NBS,

unless following investigation by the Contractor, that incident is found to be unrelated to the introduction of the NBS.

4.4.6 Where a NBS Acceptance Incident can be attributed to faults in the NBS and faults in other elements of End to End Banking, the severity of that incident (for the purposes of NBS Acceptance and NBS Stage Progression) shall be classified with reference to the fault in the NBS alone and not those faults in other elements of End to End Banking.

4.5 Repeat Testing

4.5.1 Any failed NBS Acceptance Test may prior to the end of the NB Pilot (Soft Launch) phase be repeated by the Contractor as many times as necessary in order for NBS Acceptance and/or NBS Stage Progression to be achieved. The Contractor shall propose dates for such repeat tests having regard to the overall NB Project Plan. POCL shall be responsible for making personnel available to observe such repeat testing. In the case of repeated NBS Reviews, POCL shall be entitled to the same elapsed time for the repeated review as was scheduled for the original failed review. The Contractor shall only propose repeat tests when it reasonably believes a different (i.e. improved) outcome would result.

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4.6 Rectification Plan

4.6.1 For each Medium Severity NBS Acceptance Incident which is outstanding on the NBS Acceptance Date, the Contractor shall prepare a written plan which includes:

(a) a statement of the operational impact and any necessary temporary procedures to be adopted by Users;

(b) a description of how rectification is to be achieved; and

(c) a timetable for rectification.

4.6.2 For each Low Severity NBS Acceptance Incident which is outstanding on the NBS Acceptance Date, the Contractor shall identify a target date and, if appropriate, a target Release for rectification.

5. CONSEQUENCES OF ACHIEVING NBS ACCEPTANCE & NBS STAGE PROGRESSION

After NBS Acceptance, provided that the Contractor continues to meet an obligation using the NBS as tested or demonstrated to POCL during the NBS Acceptance Procedure, POCL shall not be entitled to require that the Contractor meets that same obligation in some other way.

6. MANAGEMENT

6.1 Approach

NBS Acceptance shall be managed by POCL and the Contractor at three levels together with an independent Dispute resolution process as described in this paragraph 6 and paragraph 7 of this Schedule N02.

6.2 NBS Acceptance Board

The NBS Acceptance Board shall be constituted, deal with the matters and meet at the intervals as set out in Schedule A04.

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6.3 NBS Acceptance Management Board

The NBS Acceptance Management Board shall be constituted, deal with the matters and meet at the intervals as set out in Schedule A04.

6.4 NBS Acceptance Administration

Each of POCL and the Contractor shall nominate a NBS Acceptance Co-ordinator with responsibility for maintaining records of the NBS Acceptance Procedure, for preparing status reports for review by the NBS Acceptance Management Board and for organising the attendance of participants in NBS Tests and meetings.

6.5 Resolution of NBS Acceptance Disputes

6.5.1 If POCL and the Contractor do not agree on:

(a) the form or content of NBS Tests or NBS Testing Specifications;

(b) changes to NBS Acceptance Criteria, NBS Tests, NBS Testing Specifications or the NBS Testing Plan consequent upon changes to the provisions of the Codified Agreement or CCDs pursuant to paragraph 2.3.1 of this Schedule N02;

(c) whether any NBS Tests should be repeated pursuant to paragraph 2.3.2 of this Schedule N02 as a consequence of changes to NBS Tests;

(d) results of NBS Tests;

(e) whether an event or occurrence is a NBS Acceptance Incident or a NBS Acceptance Progress Incident or both;

(f) classification of severity of NBS Acceptance Incidents or NBS Acceptance Progress Incidents;

(g) whether a NBS Acceptance Incident has been caused by a deficiency or fault in a component of the POCL Service Infrastructure used to provide the NBS, or in the NBS itself (for which the Contractor is responsible) or a deficiency or fault in other End to End Banking services, systems (such as the NBE) or data

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(including, without limitation, Reference Data) of POCL or a third party (for which POCL is responsible); or

(h) adequacy of NBS rectification plans,

the parties shall refer such dispute (the "Dispute") in the first instance to the NBS Acceptance Management Board.

6.5.2 If within 5 working days (3 working days if within the NB Pilot (Soft Launch) phase) of a Dispute having been considered by the NBS Acceptance Management Board the Dispute is not resolved then either POCL or the Contractor may refer that Dispute to the NBS Acceptance Board which shall be convened as soon as reasonably practicable to resolve that Dispute.

6.5.3 If within 5 working days (3 working days if within the NB Pilot (Soft Launch) phase) of a Dispute having been referred to the NBS Acceptance Board the Dispute is still not resolved, then either the Contractor or POCL may refer the Dispute to the Expert for determination in accordance with paragraph 7 of this Schedule N02.

7. NBS ACCEPTANCE DISPUTES

7.1 Appointment Of Expert

7.1.1 The parties have agreed to appoint an expert (the "Expert") as soon as reasonably practicable (and in any event prior to the date of commencement of the NBS Testing Stage) to assist in resolving Disputes relating to NBS Acceptance.

7.1.2 The Expert shall be an individual who is:

(a) qualified to resolve such Disputes; and

(b) approved by both parties (such approval not to be unreasonably withheld or delayed).

7.1.3 In the event that the parties fail to agree upon the Expert to be appointed, the Expert shall be appointed at the request of POCL or the Contractor by the President for the

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time being of the Institute of Electrical Engineers so long as such appointee shall meet the criteria in paragraph 7.1.2(a) above.

7.1.4 The Expert shall act as an expert and not an arbitrator and his fees shall be borne by the parties in equal shares.

7.1.5 General terms of reference for the Expert shall be agreed by the parties prior to the commencement of the NBS Testing Stage.

7.2 NBS Acceptance Dispute Resolution

7.2.1 Each Dispute referred to in the circumstances described in paragraph 6.5.3 of this Schedule N02 shall be referred to the Expert to obtain initial guidance.

7.2.2 Within 5 working days after a reference pursuant to paragraph 7.2.1 above the parties shall agree a joint statement to be submitted to the Expert describing the Dispute to be resolved by the Expert, the scope of the Decision which may be required to be made by the Expert in accordance with paragraph 7.2.4 of this Schedule N02 and each party's position in relation to that Dispute.

7.2.3 Once the Expert has given to the parties his initial guidance on the Dispute, the NBS Acceptance Board shall meet and attempt to resolve the Dispute with the advice and guidance of the Expert.

7.2.4 If the Dispute is not resolved during the meeting pursuant to paragraph 7.2.3 above, then either the Contractor or POCL may request that the Expert make a decision (the "Decision") as to how the Dispute should be resolved.

7.2.5 The Decision shall be final and binding on the parties.

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ANNEX 1 TO SCHEDULE N02

1. TESTING STAGES

1.1 Acceptance Stage 1 (the "NBS Testing Stage") – this stage involves the discrete testing of the NBS and NB System solely within the Contractor's domain and without reference to or reliance on any other element of End to End Banking provided by POCL or to POCL by third parties. This testing stage shall be under the Contractor's control.

1.2 Acceptance Stage 2 – this stage involves partial End to End Banking (including NBE, LINK, Banks and POCL and/or Consignia Group systems but excluding the NBS and the NB System). This testing stage shall be under POCL's control.

1.3 Acceptance Stage 3 (the "Partial E2E Testing Stage") – this stage involves the testing and early release of the NBS in a parallel end-to-end mode, including NBE, LINK, Banks and POCL and/or Consignia Group systems. This stage will be undertaken partially in parallel with NBS testing cycles 4 and 5 within the NBS Testing Stage. This testing stage shall be under POCL's control and POCL shall ensure that it and other third parties with whom these tests are to be carried out are ready and available to participate in such parallel end-to-end testing.

1.4 Acceptance Stage 4 (the "Full E2E Testing Stage") – this stage involves testing of the NBS as part of testing of full End to End Banking (including NBS, NBE, LINK, POCL and/or Consignia Group Systems and Banks ready and available for participation in testing of full End to End Banking). POCL shall ensure that the other parties with whom these tests are to be carried out are ready and available to participate in such full end-to-end testing. This testing stage shall be under POCL's control.

1.5 Acceptance Stage 5 ("NBS/NBE Testing Stage") – this stage shall be undertaken within the NB Pilot (Soft Launch) phase and involves the testing of whether the NBS and NBE work in an operational environment and are ready for full operational roll-out. This testing stage shall be under POCL's control.

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1.6 Acceptance Stage 6 ("CAPO Testing Stage") – this stage involves end-to-end testing with the CAPO. This stage shall be under POCL's control.

1.7 Acceptance Stage 7 ("Bank Interface Testing Stage") – this stage involves testing of interfaces to Banks. This Acceptance Stage 7 will be repeated as each new Bank is introduced. This stage shall be under POCL's control. If Acceptance Stage 7 or any element of Acceptance Stage 7 takes place following NBS Acceptance, the Contractor's involvement in any such stage will be agreed under the Change Control Procedure.

1.8 The NB Pilot (Soft Launch) phase involves testing the NBS and NB System as part of the End to End Banking service in a live environment. This NB Pilot (Soft Launch) phase shall be under POCL control.

2. NOT USED

3. NBS TESTS

3.1 Form of NBS Acceptance Tests

Each NBS Test shall take the form of one or more NBS Trials as described in paragraph 3.2 of this Annex 1, one or more NBS Reviews as defined in paragraph 3.3 of this Annex 1, or combinations thereof.

3.2 NBS Trials

3.2.1 Each NBS Trial shall consist of one or more of the following:

(a) previously prepared and agreed scripted tests (recorded in a NBS Testing Specification, or other document referenced by the NBS Testing Specification) of elements of the NB System to be carried out in a test environment in which the actual results are checked to conform with the expected results;

(b) previously prepared and agreed scripted demonstrations (recorded in a NBS Testing Specification, or other document referenced by the NBS Testing Specification) of the elements of the NB System in operation in a test

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environment in which the actual results are checked to conform with the expected results;

(c) running a real, simulated or modelled operational workload in a test environment on elements of the POCL Service Infrastructure, such workload to be agreed by the parties (such agreement not to be unreasonably withheld) with reference to the projected operational volumes (set out in the CCD entitled *"Horizon New Service Business Volumes" (PA/PER/031)*).

3.2.2 POCL shall be entitled to send representatives to observe any NBS Trial and the Contractor shall give 10 working days notice of the first occurrence of each NBS Trial and three working days notice in the case of repeat testing to POCL to enable POCL to determine whether or not to send representatives. Without prejudice to the preceding paragraph, POCL shall notify the Contractor which NBS Trials it plans to send representatives to attend so that a plan for witnessing the execution of those trials may be prepared.

3.3 NBS Reviews

3.3.1 Each NBS Review shall consist of one or more of the following:

(a) inspection by one or more reviewers nominated by POCL of a deliverable or documentary evidence that the part of the NBS in question has been provided. Evidence for review may comprise documentation provided by the Contractor, or documentation provided by the Contractor's subcontractors or suppliers;

(b) a minuted meeting (minutes to detail meeting date, venue, agenda, attendees, decisions made, actions, copies of any presentations made or documents discussed at the meeting (save that copies of documents or presentations which contain commercially sensitive or security sensitive information of either POCL or the Contractor shall not be appended to such minutes but appropriate identifying reference details shall be provided instead)) between POCL and the Contractor at which one or more of the following occur:

(i) documentary evidence is inspected;

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(ii) a presentation is given by the Contractor;

(iii) the results of prior inspections, visits or presentations are reviewed and the outcome agreed;

(iv) the Contractor undertakes to conform to specific reasonable POCL requirement(s) in cases which the parties agree are not appropriate for testing by NBS Trial or other forms of NBS Review;

(c) any other form of testing or review as agreed by the parties.

4 NBS TESTING SPECIFICATIONS

4.1 The NBS Tests shall be documented by the Contractor in applicable NBS Testing Specification(s) (there may be more than one NBS Testing Specification) no later than eight (8) weeks prior to the agreed date for performance of the relevant NBS Tests.

4.2 In the case of NBS Trials, the NBS Testing Specification(s) shall identify the testing cycles or testing elements which comprise each NBS Trial and the results expected for that trial by reference to the relevant test script or scripts. NBS Trials shall not commence until their respective NBS Testing Specification(s) or part thereof has been agreed.

4.3 In the case of NBS Reviews, the NBS Testing Specification(s) shall state the purpose and structure of the document to be reviewed, which sections of the document are relevant to the particular NBS Acceptance Criteria, and the review criteria to be applied. NBS Reviews shall not commence until their respective NBS Testing Specification(s) or part thereof has been agreed.

5. NBS TESTING PLAN

5.1 The NBS Testing Plan shall comprise:

5.1.1 a list of documents to be provided by the Contractor for NBS Review giving for each such document the date on which it will be delivered by the Contractor and the date by which POCL shall have completed the NBS Review in question;

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5.1.2 a list of the tests to be carried out by the Contractor that are relevant to NBS Acceptance, showing the method and expected results of each such test by reference to the NBS Testing Specifications or other applicable documents; and

5.1.3 a list of the tests to be carried out by POCL that are relevant to NBS Acceptance, showing the method and expected results of each such test.

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ANNEX 2 TO SCHEDULE N02

1. LINK TESTING

1.1 During the NBS Testing Stage, Partial E2E Testing Stage and Full E2E Testing Stage, the Contractor shall provide reasonable assistance when reasonably requested by POCL to facilitate LINK testing between the NBE and the Banks.

1.2 POCL shall be responsible for the operation and control of such LINK testing.

1.3 POCL shall be responsible for providing such documentation as is necessary for the Contractor to plan and resource its activities in respect of supporting POCL gain LINK accreditation in accordance with this Schedule N02.

2. LINK REQUIREMENT COMPLIANCE

2.1 The Acceptance Criteria shall include criteria based upon the security requirements, standards and test sequences applicable to the NBS as set out in the following documents:

2.1.1 the LINK Information Security Standards (v1.0 dated January 2001); and

2.1.2 the LINK Member Test Strategy (version 2.6).

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SCHEDULE N03 - POCL NBS RESPONSIBILITIES AND NBS OBLIGATIONS

Version Reference	Reason for Change	Frozen/Issue Date
4.0	New Schedule to introduce Network Banking Service	19/06/02

1. INTRODUCTION

1.1 Part 1 of this Schedule sets out the responsibilities of POCL in connection with the NBS ("POCL NBS Responsibilities").

1.2 Part 2 of this Schedule sets out the obligations of POCL in connection with the provision of the NBS ("POCL NBS Obligations").

1.3 Any failure by POCL to carry out a POCL NBS Responsibility shall not be a Default under this Codified Agreement.

1.4 The omission from the tables in this Schedule N03 of an obligation or responsibility of POCL connected with the NBS shall:

1.4.1 if the obligation is stated as something for which POCL "shall be responsible", result in that obligation being classed as a "POCL NBS Responsibility" for the purpose of this Schedule N03;

1.4.2 if the obligations is stated to be something which POCL "shall do" result in that obligation being classed as a "POCL NBS Obligation" for the purpose of this Schedule N03;

1.4.3 if the obligation is to make payment to the Contractor result in that obligation being classed as a "POCL NBS Obligation" for the purpose of this Schedule N03; and

1.4.4 in all other cases shall be, as the context so requires, a POCL NBS Obligation or POCL NBS Responsibility for the purposes of this Schedule N03.

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1.6 The Contractor shall not be liable to POCL in respect of any breach of its obligations to provide the NBS (including its obligations to achieve any Service Level related to the NBS) (the "Dependent Obligations") or any delay in performing the Dependent Obligations to the extent that such breach or delay was caused by the failure by POCL to carry out a POCL NBS Obligation or a POCL NBS Responsibility (a "Dependency Failure").

1.7 The Contractor shall notify POCL in writing as soon as reasonably practicable after the Contractor becomes aware of any Dependency Failure or becomes aware of any matters or circumstances which would with the effluxion of time result in a Dependency Failure.

1.8 In the event of a Dependency Failure (other than in relation to any Level 1, Level 2 or Level 3 T&M Work task under the NB Project Plan), the Contractor shall be entitled to recover from POCL such reasonably incurred, increased costs and expenses (if any) which it incurs in performing the Dependent Obligation in question to the extent that such increased costs and expenses were the result of the Dependency Failure. The Contractor shall provide a statement of such increased costs and expenses incurred for approval by POCL, such approval not to be unreasonably withheld.

1.9 The Contractor shall use all reasonable endeavours to mitigate the amounts (if any) payable under paragraph 1.8 of this Schedule N03.

Part 1 - POCL NBS Responsibilities

Schedule	Paragraphs
N01	3.3, 3.5, 4.1.4, 4.2, 4.4.1 and 4.4.3, 5.2.1, 5.3.6, 5.4.1, 5.4.3, 5.10.2, 5.13.4(c), 7.2.2, 7.3.8, 8.2.3, 10.6.4(i), 12.6
N02	2.1.9, 2.1.10, 2.2.2, 4.5.1, 6.5.1, Annex 1. 3.2.2, 1.3-1.8 (inclusive), Annex 2 1.2, 1.3

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N04	6.1, 7.1 (c)
N05	2.1, 4.2-4.6 (inclusive)
N06	2.1.3, 2.2.1, 2.2.3, 2.3.3, 4.1.2, 4.1.3, 4.2.2, 4.2.3
N08	1.8
N09	1.1, 1.6, 1.11

Part 2 – POCL NBS Obligations

Schedule	Paragraphs
N01	2.9, 2.12, 5.4.2, 5.4.4, 8.2.2, 10.3.1, 10.4.2, 10.4.5, 10.6.4(h)
N02	2.3.1, 4.1.4, 4.1.5, 4.4.2, 6.1, 6.4
N04	4.2
N05	5, 6.2.1, 6.2.4, 7.1, 7.5
N06	1.4, 2.1.4, 3.2, 3.3
N08	2.5.8
N09	None

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SCHEDULE N04 – NBS IMPLEMENTATION

Version Reference	Reason for Change	Frozen/Issue Date
4.0	New Schedule to introduce Network Banking Service	26/06/02

1. INTRODUCTION

1.1 The NBS shall be implemented through a number of Releases with minimal disruption to operational service, subject to the provisions of paragraph 5.3 of Schedule G01 and paragraph 4.7 of Schedule A06. [NBR498].

2 NB PROJECT PLAN

2.1 The Contractor shall produce and maintain a project plan (the "NB Project Plan") for the fulfilment of its obligation under this Codified Agreement in relation to the NBS.

2.2 The NB Project Plan shall comprise three Levels of detail. The Level 1 and Level 2 elements of the NB Project Plan shall be at a level of detail equivalent to that set out in Annexes 1 and 2 to this Schedule, respectively.

2.3 Annexes 1 and 2 to this Schedule comprise the Level 1 and Level 2 elements of the NB Project Plan as at the date of approval of CCN850.

2.4 The Level 3 elements of the NB Project Plan shall be at a level of detail equivalent to that set out in the example at Annex 3 of this Schedule (which is included for information purposes only).

2.5 In respect of each version of the NB Project Plan provided in accordance with paragraph 2.7 of this Schedule, each Level 3 task on the NB Project Plan:

(a) having a deliverable to be produced as a result of that task shall have a summary description of that deliverable; and

(b) if T&M Work, shall have a T&M Budget associated with it.

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2.6 Every fortnight (each fortnight running from Monday of the first week to Sunday of the second week) following the date of approval of CCN850, the Contractor shall issue a revised version of the NB Project Plan which shall contain:

(a) the Level 2 elements of the NB Project Plan for the 8 months following the start of the fortnight in which that revised NB Project Plan is issued (or until the date shown in the table in paragraph 9.1.3 of this Schedule N04 for cessation of NB project planning, if shorter); and

(b) the Level 3 elements of the NB Project Plan for the 4 months following the start of the fortnight in which that revised NB Project Plan is issued (or until the date shown in the table in paragraph 9.1.3 of this Schedule N04 for cessation of NB Project planning, if shorter).

The Contractor shall issue such revised versions of the NB Project Plan within 8 working days of the start of each such fortnight.

3 REPORTING AND OBLIGATIONS IF DELAY OCCURS

3.1 From the date of approval of CCN850 the Contractor shall report to POCL on a fortnightly basis (each fortnight running from Monday of the first week to Sunday of the second week) on its progress in achieving the tasks set out in the NB Project Plan for that fortnight and on its management of the work set out in that plan.

3.2 The Contractor shall report to POCL in accordance with paragraph 3.1 of this Schedule not later than the eighth working day after the end of the fortnight to which the report relates.

3.3 The Contractor shall provide together with the reports to be provided under paragraph 3.1 of this Schedule a document setting out for the fortnight to which the report relates:

(a) for each of the Contractor's personnel who worked on any T&M Work task during that period, the proportion of that person's working time spent on T&M Work tasks and the proportion spent on non-T&M Work tasks;

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(b) time recording information showing for each T&M Work task on which work was carried out during that fortnight the amount of time for which each individual who worked on that task did so; and

(c) for each non T&M Work task on which work was scheduled to be carried out during that fortnight the percentage of that task completed during that period and the percentage of that task which was scheduled to be completed during that period.

3.4 If at any time a Level 2 task has not been started or completed by the date set for that event in the NB Project Plan the Contractor shall notify POCL forthwith. If the failure to carry out that task:

(a) affects any Level 2 task T&M Budget or external touchpoint (as set out in or derived from the NB Project Plan), the Contractor shall as soon as reasonable practicable provide proposals to mitigate the failure; or

(b) affects neither any Level 2 task T&M Budget nor external touchpoint (as set out in or derived from the NB Project Plan), the Contractor shall take appropriate mitigating action and shall report such action to POCL in accordance with paragraph 3.1 of this Schedule.

3.5 The Contractor shall notify POCL as soon as reasonably practicable after receipt of such if at any time the Contractor receives any notice or information from any of its subcontractors or suppliers which states or should reasonably lead the Contractor to believe that any non T&M Work task will not be completed by the date scheduled for its completion in the NB Project Plan.

4 BUDGET

4.1 The Contractor may allocate and subsequently re-allocate the T&M Budget for each Level 2 T&M Work task in the NB Project Plan between the Level 3 T&M Work tasks forming part of that Level 2 T&M Work task provided that in the case of such re-allocation the variance is no more than 25% of the total original budgeted hours for the task whose budgeted hours are to be increased.

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4.2 Any re-allocations of or increase to the T&M Budget other than in accordance with paragraph 4.1 or 6.5.2 of this Schedule shall be agreed in writing by the parties and in the absence of agreement shall be determined by POCL (acting reasonably) and notified to the Contractor in writing.

4.3 If a Level 2 or Level 3 T&M Work task has not been or cannot be completed within the original, increased or reallocated T&M Budget for that task, and the T&M Budget is not increased by POCL (at the request of the Contractor), the Contractor shall fulfil its obligations so far as it can do so within that original, increased or reallocated T&M Budget and upon that budget being exhausted, POL shall be deemed to have exercised its option under paragraph 8.1 of this Schedule N04 in respect of that task and the Contractor shall be deemed to have received a Task Cancellation Notice (as defined in that paragraph) in respect of that task.

4.4 Paragraph 4.3 of this Schedule N04, shall only apply to the extent that the Contractor is not in Default of its obligations in respect of the Level 2 or Level 3 task in question.

5 CONTRACTOR PERSONNEL

5.1 From the date of approval of CCN850 until the completion of all T&M Work, the Contractor shall supply the name, job title, project role and Schedule A12 grade for each of its personnel working on the fulfilment of its obligations under this Codified Agreement in relation to T&M Work. The Contractor shall supply a typical level of qualification and experience for each grade type.

5.2 From the date of approval of CCN850 until the completion of all T&M Work, the Contractor shall produce organisational charts showing the Contractor's personnel working on the fulfilment of the Contractor's obligations under this Codified Agreement in relation to T&M Work. The Contractor shall provide revised versions of those charts to POCL when there are material changes to them.

6 CHANGING THE NB PROJECT PLAN

6.1 Changes to scheduling of Level 2 elements of the NB Project Plan (other than in accordance with paragraph 6.5 of this Schedule N04) shall require the written

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agreement (at "Authority Level 1") of the Contractor's NBS Programme Manager (or nominated deputy) and the POCL NBS Project Manager (or nominated deputy) (such agreement not to be unreasonably withheld by either of them) and shall take effect immediately subject to written confirmation (at "Authority Level 2") between POCL's Release 1 Programme Manager and the Contractor's Programmes Director (or their nominated deputies). If the parties fail to reach such agreement at Authority Level 1, the dispute shall be referred to Authority Level 2. If the parties fail to reach such agreement at Authority Level 2, the dispute shall be subject to the dispute resolution process referred to in paragraph 6.5.5 of this Schedule N04. If the parties reach such agreement at Authority Level 1, but the parties fail to reach agreement at Authority Level 2, the parties shall, unless agreed or determined otherwise, work to the NB Project Plan as agreed at Authority Level 1. Notwithstanding anything to the contrary in Clauses 101.2 or 603, written agreements and confirmations referred to in paragraphs 6.1 to 6.6 of this Schedule N04 may be effected by, without limitation, email exchange or agreed meeting minutes.

6.2 A refusal by POCL to agree a change to the NB Project Plan pursuant to paragraph 6.1 of this Schedule N04 shall be deemed to be reasonable if, in POCL's assessment, the change would be detrimental to the network banking project as a whole even if the change would not be detrimental to the implementation of the NBS.

6.3 The Contractor shall be entitled at its discretion to reschedule the Level 3 elements of the NB Project Plan within the period bounded by the start and completion dates for the associated Level 2 task in the NB Project Plan.

6.4 Whether or not delay has occurred to the NB Project Plan shall be on a neutral basis of proof.

6.5 The provisions of this paragraph 6.5 shall apply if and to the extent that a failure to carry out a Level 2 task by the completion date for that task in the NB Project Plan is not due to a Default of the Contractor including (without limitation) where the delay is caused by:

(a) a failure by POCL to fulfil its obligations or responsibilities set out or referred to in Schedule N03;

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(b) unfulfilled dependencies of the Contractor on third parties which are specifically shown in the NB Project Plan; or

(c) failures to agree agreements to agree.

6.5.1 If a Level 2 task is not completed or is forecast not to be completed by the date specified in the NB Project Plan, the period for completing that delayed task shall be extended by the minimum period reasonably necessary for the task to be completed, taking into account, amongst any other factors which are relevant:

(a) to the extent they can be identified, the reasons for the delay, and whether they would continue to cause delay;

(b) POCL's objectives in relation to End to End Banking;

(c) the availability of appropriate resources (both existing Contractor resources and any available to buy in);

(d) the size of the T&M Budget originally allocated to the task (applicable if the delayed task is a T&M Work task);

(e) the nature of the task to be completed; and

(f) other tasks which remain incomplete.

6.5.2 The Contractor shall be entitled to increase the T&M Budget for completing each delayed Level 2 T&M task to reflect:

(a) any additional work required; and/or

(b) additional resource required to be allocated to that task,

for it to be completed within the period of extension described in paragraph 6.5.1 of this Schedule N04.

6.5.3 Unless the reason for a Level 2 task not being completed by the date specified in the NB Project Plan is a Planning Discrepancy, the Rate Reduction Date shall be put back by the minimum period necessary to accommodate that task (as extended in accordance with paragraph 6.5.1 of this Schedule N04) in the NB Project Plan (which

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period shall be nil if the extended task did not impact the critical path leading to NB Event 1). For the purposes of this paragraph 6.5.3 a "Planning Discrepancy" means any discrepancy or failure in the NB Project Plan not arising from a Default by the Contractor including but not limited to:

(a) a structural oversight in the NB Project Plan such as a missed link in any critical path in relation to an unknown dependency; and

(b) mis-scoped tasks.

For the avoidance of doubt, paragraph 7 of this Schedule N04 shall apply if any discrepancy or failure in the NB Project Plan arises from a Default of the Contractor.

6.5.4 Time extensions to Level 2 elements of the NB Project Plan in accordance with paragraph 6.5.1 of this Schedule N04 and putting the Rate Reduction Date back (or not putting it back as the case may be) in accordance with paragraph 6.5.3 or 6.6 of this Schedule N04 shall require written agreement at Authority Level 1 (such agreement not to be unreasonably withheld by either party) and shall take effect immediately subject to written confirmation at Authority Level 2. If the parties fail to reach such agreement at Authority Level 1 or Authority Level 2, for the purposes of establishing the effective ongoing NB Project Plan, POCL shall be entitled to determine:

(a) on the basis and taking into account the factors set out in paragraph 6.5.1 of this Schedule N04, the amount by which time for a Level 2 task shall be extended; and

(b) the amount (if any) by which the Rate Reduction Date shall be put back in accordance with paragraphs 6.5.3 or 6.6 of this Schedule N04.

The Contractor shall work to that revised NB Project Plan but shall be entitled to seek a further extension of time for such Level 2 T&M tasks and/or increase to the amount by which the Rate Reduction Date should be put back through the dispute resolution process referred to in paragraph 6.5.5 of this Schedule N04.

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6.5.5 Disputes as to:

(a) whether or to what extent a Default by the Contractor, a Planning Discrepancy or some other failure has caused a Level 2 task to be delayed;

(b) the amount by which the time for a task should be extended;

(c) the amount by which the Rate Reduction Date should be put back; or

(d) the increase (if any) required to the T&M Budget to reflect the additional work or resource required to complete a task,

shall be referred to the Contract Administration Board and if not resolved by that Board shall (unless the parties agree otherwise) be resolved pursuant to Clause 807.

6.6 If:

(a) the Contractor fails to carry out a Level 2 non-T&M Work task by the completion date for that task in the NB Project Plan and as a result the Contractor fails to carry out a Level 2 T&M Work task by the completion date for that task in the NB Project Plan; and

(b) neither failure results from a Default of the Contractor,

the Rate Reduction Date shall be put back by the minimum period necessary to accommodate both Level 2 tasks in the NB Project Plan (which period shall be nil if the tasks do not impact the critical path leading to NB Event 1).

6.7 Subject to paragraphs 6.8 and 6.9 of this Schedule N04, the obligations of the Contractor in respect of completion of all dates in the NB Project Plan (whether or not T&M Work) shall be to use reasonable endeavours to achieve them.

6.8 The Contractor shall achieve completion of NBS Deployment by the date (the "NBS Release Complete Date") specified for NBS Release Complete in the NB Project Plan (as may be adjusted in accordance with the provisions of this Schedule N04). Save as specified in paragraph 6.9 of this Schedule N04, failure by the Contractor to achieve completion of NBS Deployment by the NBS Release Complete Date shall not of itself constitute a Default and time shall not be of the essence in respect of the

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Contractor's obligation to achieve completion of NBS Deployment by the NBS Release Complete Date.

6.9 If the Contractor has not completed NBS Deployment by the NBS Release Complete Date POCL may serve notice on the Contractor which specifies a reasonable time period (after the NBS Release Complete Date) for NBS Deployment to be completed. Time shall be of the essence in relation to the reasonable time period specified in the notice for completion of NBS Deployment and failure to achieve NBS Deployment by expiry of that reasonable time period shall constitute a Default of the Contractor entitling POCL to terminate this Codified Agreement.

7. CONTRACTOR DEFAULT

7.1 If and to the extent that a failure to carry out a Level 2 task by the completion date for that task in the NB Project Plan has been caused by a Default of the Contractor:

(a) the Contractor shall use reasonable endeavours to complete that task as soon as practicable;

(b) if the failure to carry out that task affects the T&M Budget for that task or an external touchpoint (as set out in or derived from the NB Project Plan), the Contractor shall in addition to any other proposals for mitigation made under paragraph 3.4(a) of this Schedule N04:

(i) use all reasonable endeavours to keep the same individual or group of individuals as have been allocated to that task, working on that task until its completion; and

(ii) optimise the allocation of resources between tasks;

so that potential overall delay to the NB Project Plan is minimised; and

(c) POCL shall be entitled to recover from the Contractor, POCL's additional internal costs and sub-contractor costs reasonably incurred as a direct result of that Default. POCL shall provide a statement of such costs incurred for approval by the Contractor, such approval not to be unreasonably withheld;

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(d) the Rate Reduction Date shall not be put back to reflect delay to the NB Project Plan caused by that Default.

8. TASK CANCELLATION

8.1 POCL may at any time before NBS Acceptance send a notice (a "Task Cancellation Notice") cancelling any Level 2 T&M Work task (the "Cancelled Task").

8.2 Upon receipt of a Task Cancellation Notice the Contractor shall:

(a) not be obliged to complete the Cancelled Task;

(b) not (except as set out in paragraph 8.3 of this Schedule N04) carry out any further work on or expend any further monies in relation to the Cancelled Task; and

(c) be released from its obligations in this Codified Agreement to which that Cancelled Task relates and obligations in respect of any other T&M Work the performance of which is dependent upon the completion of that Cancelled Task.

8.3 In the 5 working days following the receipt of a Task Cancellation Notice the Contractor shall, so far as reasonably possible and using no more resource than that allocated to the Cancelled Task, close down and document the position reached in respect of the Cancelled Task. All such work shall be T&M Work for which the Contractor shall provide POCL with a T&M Budget. Such T&M Budget shall include any third party costs which were part of the T&M budget for the Cancelled Task which the Contractor is unable to mitigate (such costs to be agreed at Authority Level 1) (such agreement not to be unreasonably withheld by either party)).

8.4 If the aggregate value (by T&M budget) of all Cancelled Tasks becomes more than £6,500,000 POCL shall be deemed, as at the date of receipt by the Contractor of the Task Cancellation Notice for the Cancelled Task which causes that sum to be exceeded, to have exercised its right to terminate the NBS for convenience under Clause 905.1.

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8.5 Following the cancellation of a task:

8.5.1 The parties shall amend:

(a) the NB Project Plan in accordance with paragraph 6.1 of this Schedule N04; and

(b) the NBS Acceptance Criteria, the provisions of this Codified Agreement and any CCDs as necessary under the Change Control Procedure,

to reflect that the task will not be carried out and the release of the Contractor's obligations as referred to in paragraph 8.2(c) of this Schedule N04.

8.5.2 Where reasonably practicable, one CCN may be used to introduce the amendments required under sub-paragraph 8.5.1 for more than one such release. If the parties' agreement to such amendments is required for the purposes of the NBS Acceptance Procedure, such amendments may be agreed in writing at Authority Level 1, and shall be subsequently ratified using the Change Control Procedure.

8.5.3 The amendments referred to in clause 8.5.2 shall be such as to ensure that (subject to paragraph 8.4) the effect of cancellation is not to render NBS Acceptance impossible.

8.6 If POCL wishes the Contractor to resume work on any Cancelled Task, the parties shall enter into good faith negotiations in relation to the terms of that restart.

9. DATES

9.1 The tables in paragraphs 9.1.1, 9.1.2 and 9.1.3 of this Schedule N04 set out the dates contained in the initial version of the NB Project Plan (as at the date of approval of CCN850) for the milestones and touchpoints between the Contractor and POCL or third parties for the delivery of the NBS. The parties agree that the dates in those tables need not be updated to reflect changes made subsequently to the NB Project Plan and that the NB Project Plan shall have precedence over those tables.

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9.1.1 NBS Contract Controlled Documents

Activity Code	Document	Originator issue first draft	Originator issue final version for agreement
L2_1855	TD/ARC/030 OPS Architecture Specification	31 Jul 02	18 Sep 02
L2_1860	CS/SIP/002 Business Continuity Framework	15 Aug 02	03 Oct 02
L2_1865	TI/IFS/008 Pathway to Post Office Technical Interface Specification	17 May 02	05 Jul 02
L2_1870	TD/STD/004 Generalised API for OPS/TMS	21 Jun 02	09 Aug 02
L2_1880	RS/POL/002 ICL Pathway Security Policy	25 Jul 02	12 Sep 02
L2_1890	RS/FSP/001 Security Functional Specification	25 Jul 02	12 Sep 02
L2_1910	NB/SDS/008 Network Banking MIS Reports Design	19 Apr 02	07 Jun 02
L2_1980	CS/IFS/003 ICL Pathway/POCL Interface Agreement for Operational Business Change – Outlet	17 Jun 02	05 Aug 02
L2_1945	SD/DES/005 Horizon OPS Reports and Receipts – Pathway Horizon Office Platform Service	31 May 02	19 Jul 02
L2_1950	SD/STD/001 Horizon OPS Style Guide	19 Jun 02	07 Aug 02
L2_1960	CR/FSP/006 Audit Trail Functional Specification	12 Feb 02	02 April 02
L2_1970	VI/STR/001 Revisions to the Testing and Integration Strategy for Pathway for the NWB Release	31 May 02	19 Jul 02
L2_1940	CS/PRD/058 ICL Pathway/PON Interface Agreement for Operational Business Change – Product	18 Jul 02	05 Sep 02
L2_1985	BP/DES/003 Counter Hardware Design Specification	28 Jun 02	16 Aug 02
L2_1990	TD/ARC/029 TMS Architecture Specification	31 Jul 02	18 Sep 02
L2_1856	CS/PRP/001 Counter Transaction Performance Measurement and Benchmarking	13 Sep 02	01 Nov 02
L2_1857	XX/YYY/NNN NBS Testing Specifications	12 Jul 02	30 Aug 02
L2_1858	XX/YYY/NNN NBS Testing Plan	12 Jul 02	30 Aug 02
L2_1859	NB/PRO/001 Networking Banking PPD	14 Jun 02	02 Aug 02
L2_1861	CR/FSP/004 Service Architecture Design Document	19 Aug 03	07 Oct 03
L2_1862	XX/YYY/NNN Security Incident Management (PO Limited Document)	13 Sep 02	01 Nov 02
L2_1863	IM/MAN/022 PIN Pad Technical Installation Training Guide	09 Apr 02	28 May 02
L2_1864	XX/YYY/NNN (Caveat Clearance Version) Technical Interface Specification — Horizon to NBE	21 Aug 02	09 Oct 02
L2_1866	XX/YYY/NNN (Caveat Clearance Version) NBE – Horizon Application Interface Specification	21 Aug 02	09Oct 02

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L2_1867	CS/SPE/011 (Caveat Clearance Version) Network Banking End to End Reconciliation Reporting	22 Nov 02	10 Jan 03
L2_1868	CC/YYY/NNN "Closure of NBE Link Procedures" (CCD mentioned in N05).	13 Sep 02	01 Nov 02

9.1.2 NBS Working Documents:

Activity Code	Document	Originator issue first draft	Originator issue final version for agreement
L2_1920	RS/POL/003 Access Control Policy	12 Aug 02	30 Sep 02
L2_1930	SD/SPE/016 Horizon OPS Menu Hierarchy	30 May 02	18 Jul 02
L2_1931	CS/PLA/011 Business Continuity Test Plan	12 Aug 02	30 Sep 02
L2_1932	CS/IFS/007 ICL Pathway/POCL Interface Agreement for the POCL Support Desk and HSH Interface	12 Aug 02	30 Sep 02
L2_1933	XX/YYY/NNN NBE Operational Level Agreement (PO Limited Document)	12 Aug 02	30 Sep 02
L2_1934	IS/SLR/002 PIN Pad Supply Logistics Requirements	17 May 02	05 Jul 02
L2_1935	CS/IFS/001 Reference Data Change Catalogue	13 Sep 02	01 Nov 02
L2_1936	XX/YYY/NNN Reference Data Business Rules and Values	13 Sep 02	01 Nov 02
L2_1937	XX/YYY/NNN RAC Data Flow Models (Documents the RAC0C1 model)	31 Aug 02	18 Oct 02
L2_1938	RDP/TEC/977 Network Banking/RDS Rules and Values		No Forecast
L2_1939	Business Release Test Strategy	17 Jun 02	05 Aug 02
L2_1941	Business Integration Test Strategy	10 Jun 02	29 Jul 02
L2_1942	V&I Test Strategy	24 Jun 02	12 Aug 02
L2_1943	Release Test Strategy	24 Jun 02	12 Aug 02
L2_1944	E2E Test Strategy	26 Jul 02	13 Sep 02

9.1.3 NBS Programme Development Touchpoints:

Activity Code	Event	Date
	NBE DIT	
L2_2450 (TP1)	Agree NBE DIT Acceptance Criteria	31 May 02 Complete

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L2_3408 (TP57)	Test link installed – Feltham to Warwick	01 Jul 02
L2_3120 (TP3)	Contractor complete DIT proving – Analysis	15 Jul 02
L2_3135 (TP4)	Contractor ready for DIT (Obtain release authorisation to start DIT)	15 Jul 02
L2_3410 (TP5)	POCL prepare DIT Test specs	N/F
L2_2460 (TP6)	IBM make available initial version of Processor interface for connectivity testing	15 Jul 02
L2_2462 (TP7)	POCL responsible for ensuring IBM make available full version of Processor interface for DIT testing (with security)	12 Aug 02
L2_3135 (TP8)	Complete connectivity testing	29 Jul 02
L2_3137 (TP9)	Complete DIT (NBE Secure)	13 Sep 02
	NBS Development	
L2_2940 (TP10)	PIN Pad development test complete	03 May 02 Completed
L2_2690 (TP11)	Crypto for PIN Pads complete	19 Jun 02
L2_3150 (TP12)	Contractor Integration Testing Cycle 2 starts	22 Jul 02
L2_3150 (TP13)	Contractor Integration Testing Cycle 2 completes	09 Aug 02
L2_3155 (TP14)	Contractor Integration Testing Cycle 3 starts	12 Aug 02
L2_3155 (TP15)	Contractor Integration Testing Cycle 3 complete	30 Aug 02
L2_3160 (TP16)	Contractor Integration Testing Cycle 4 starts	02 Sep 02
L2_3160 (TP17)	Contractor Integration Testing Cycle 4 complete	20 Sep 02
L2_3165 (TP18)	Contractor Integration Testing Cycle 5 starts	23 Sep 02
L2_3165 (TP19)	Contractor Integration Testing Cycle 5 Complete	11 Oct 02
L2_3167 (TP20)	DRS/MIS Regression Cycle 1 starts	14 Oct 02
L2_3167 (TP21)	DRS/MIS Regression Cycle 1 completes	01 Nov 02
L2_3168 (TP22)	DRS/MIS Regression Cycle 2 starts	04 Nov 02
L2_3168 (TP23)	DRS/MIS Regression Cycle 2 completes	22 Nov 02
L2_3420 (TP59)	Checkpoint – DRS/MIS Enhancements Ready for Service	22 Nov 02
L2_3205 (TP26)	Contractor Integrity/volume testing complete	11 Oct 02

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L2_3411 (TP27)	NBS Stage Progression	11 Oct 02
	POCL End to End Testing	
L2_3250 (TP28)	Partial E2E Testing Stage starts	02 Sep 02
L2_3250 (TP29)	Partial E2E Testing Stage completes	11 Oct 02
L2_3255 (TP30)	Full E2E Testing Stage starts	14 Oct 02
L2_3255 (TP31)	Full E2E Testing Stage completes	03 Dec 02
	Network Infrastructure	
L2_3325 (TP32)	Upgrade to campus routers complete	21 Aug 02
L2_3360 (TP2)	Contractor complete installation of comms link to NBE	25 Jul 02
L2_3332 (TP35)	FRIACO operational at campus	02 Aug 02
L2_3332 (TP33)	FRIACO pilot complete	06 Oct 02
L2_3350 (TP34)	FRIACO start rollout to full estate	03 Nov 02
L2_3409 (TP58)	Pilot Outlet list available from POCL	01 Nov 02
L2_3413 (TP36)	FRIACO rolled out to live pilot Outlets	03 Jan 03
L2_3350 (TP37)	FRIACO rolled out to full estate	30 Jan 03
	Infrastructure	
L2_2260 (TP38)	BI 2a rollout starts	17 Apr 02 Completed
L2_2260 (TP39)	BI 2a rollout completes	27 Jun 02
L2_2270 (TP40)	BI 2b rollout starts	14 Jun 02
L2_2270 (TP41)	BI 2b rollout completes	10 Sep 02
L2_3265 (TP42)	Upgrades to hardware (DRS and non-DRS) for NBS complete	06 Dec 02
L2_3272 (TP43)	Data Centre upgrade complete (NBS hardware joins the live estate)	05 Jan 03
L2_3278 (TP52)	BI3 national rollout complete	31 Mar 03
	NBS Release	
L2_3398 (TP45)	Contractor Customer Services (Operations) ready to support NB Pilot (Soft Launch)	06 Jan 03
L2_3399 (TP46)	Contractor Customer Services (Operations) ready to support live operation	06 Jan 03

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L2_3400 (TP47)	Contractor Customer Services (Network) ready to support NB Pilot (Soft Launch)	03 Jan 03
L2_3401 (TP48)	Contractor Customer Services (Network) ready to support live operation	01 Nov 02
L2_3255 (TP49)	NBS ready for Release Authorisation for NB Pilot (Soft Launch) (End of E2E)	06 Dec 02
L2_3276 (TP50)	NBS ready to commence NB Pilot (Soft Launch)	13 Jan 03
L2_3274 (TP51)	NBS ready for Release Authorisation for full release	17 Jan 03
L2_3278 (TP52)	NBS Release complete	31 Mar 03
	RDS	
L2_2435 (TP53)	Completion of modification by POCL of the POCL RDS for the purpose of the NBS (Provide Ref Data to Contractor)	09 May 02 Completed
L2_2455 (TP54)	POCL Reference Data required for DIT	14 Jun 02 Completed
L2_3055 (TP55)	Start of the Contractor's RDS DIT	18 Jun 02
L2_3055 (TP56)	End of the Contractor's RDS DIT	10 Jul 02

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ANNEX 1

LEVEL 1 PLAN

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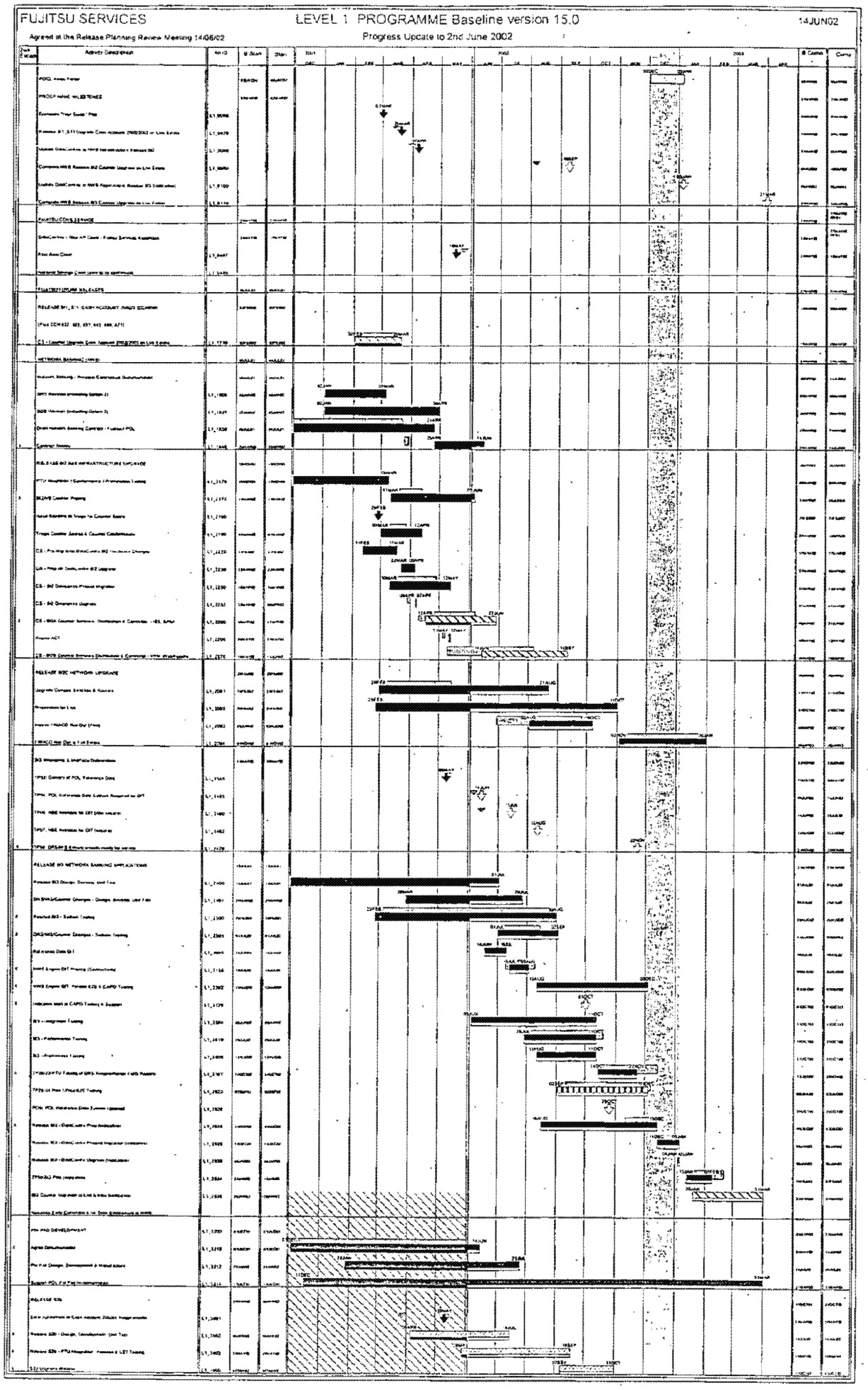

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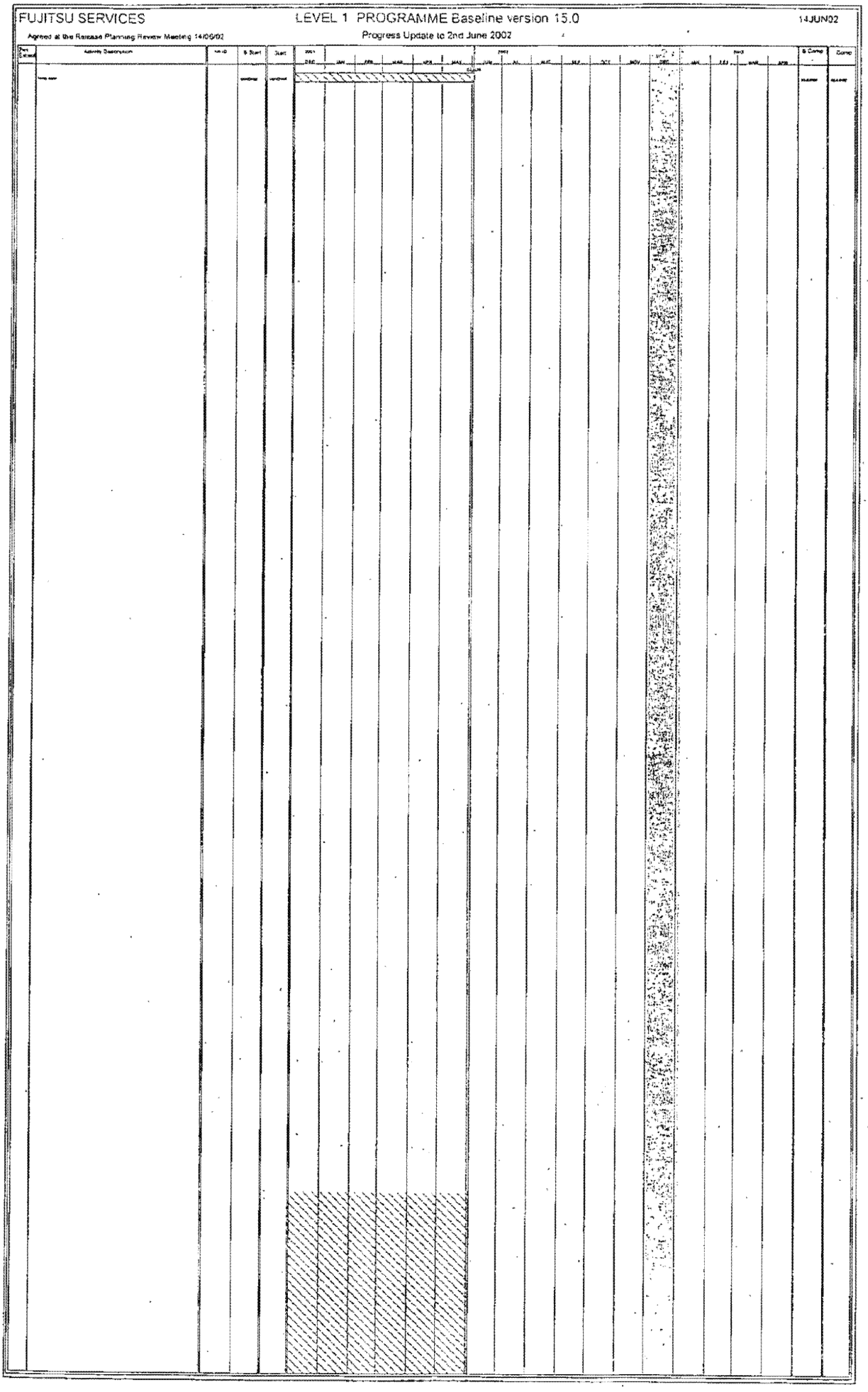

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ANNEX 2

LEVEL 2 PLAN

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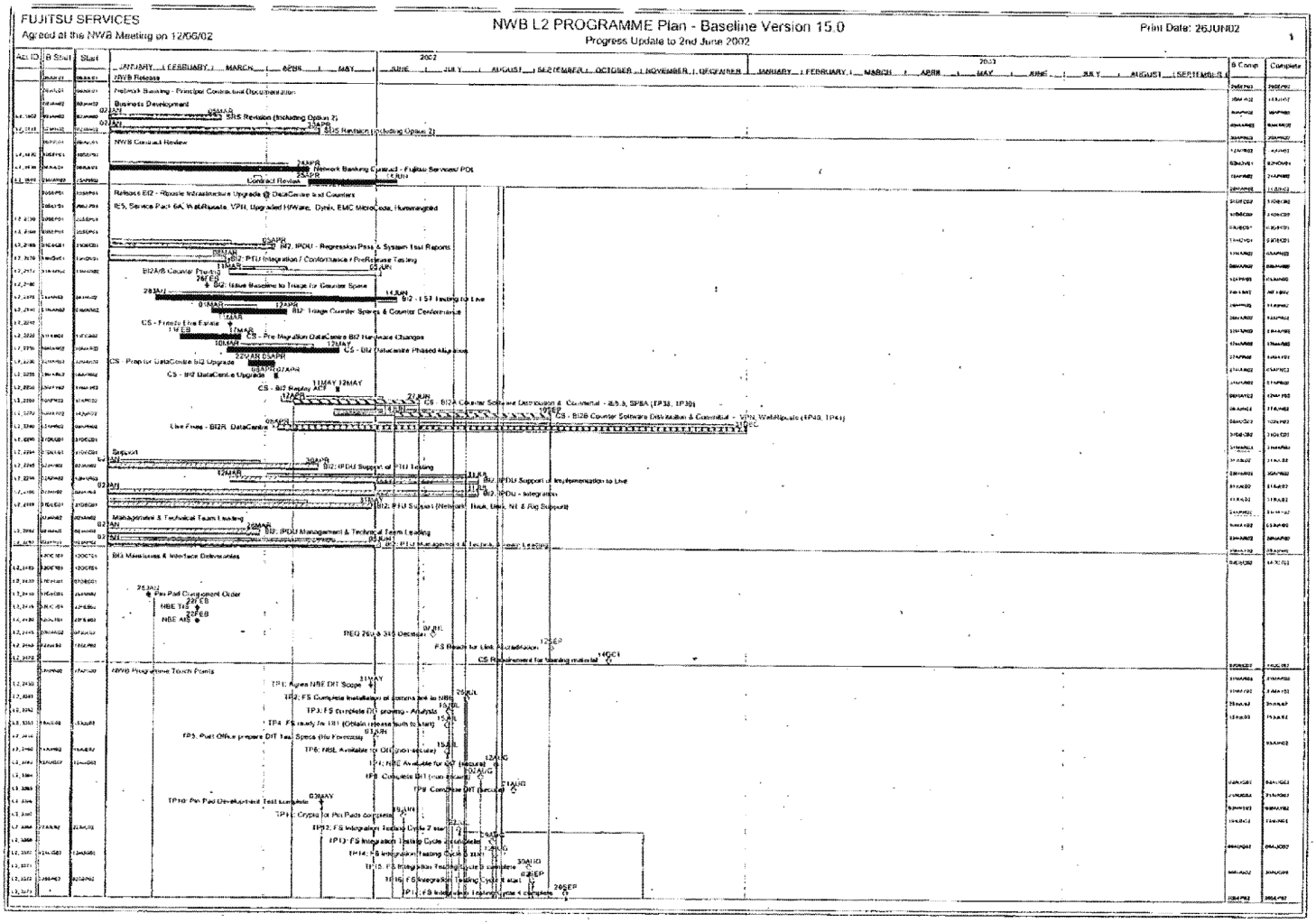
FUJITSU SERVICES
Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



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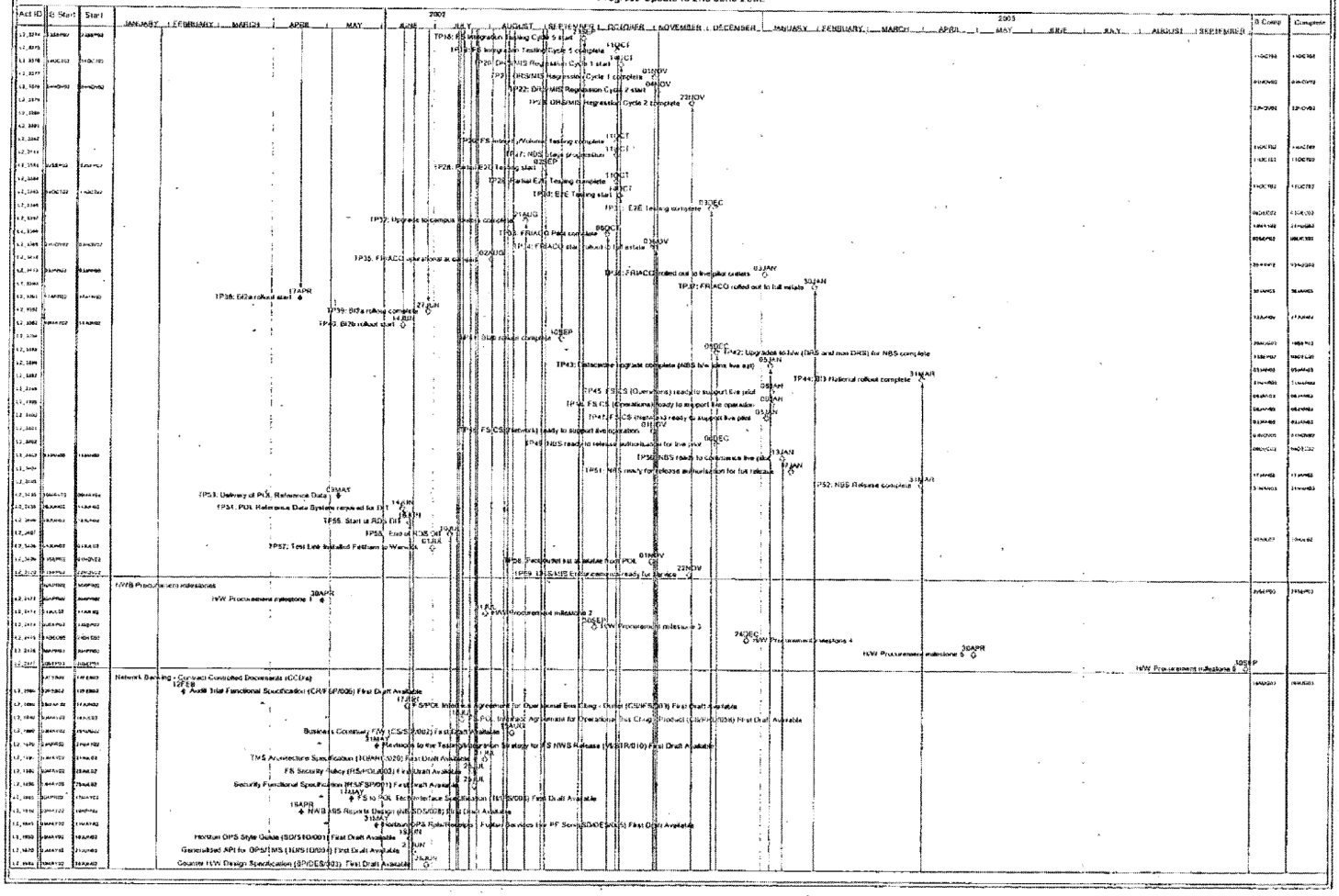
FUJITSU SERVICES
Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



FUJ00119623

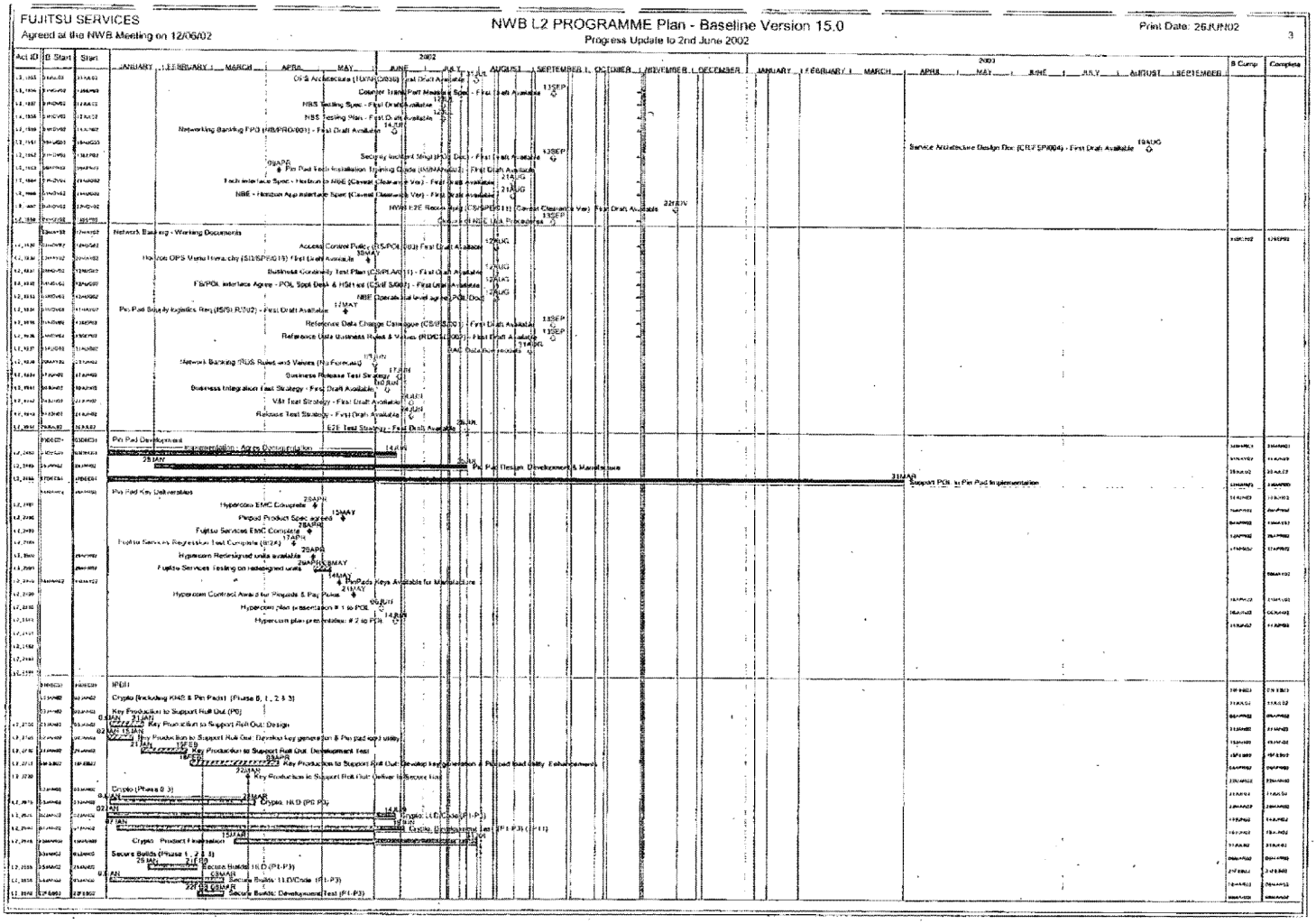
FUJITSU SERVICES

Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



FUJ00119623

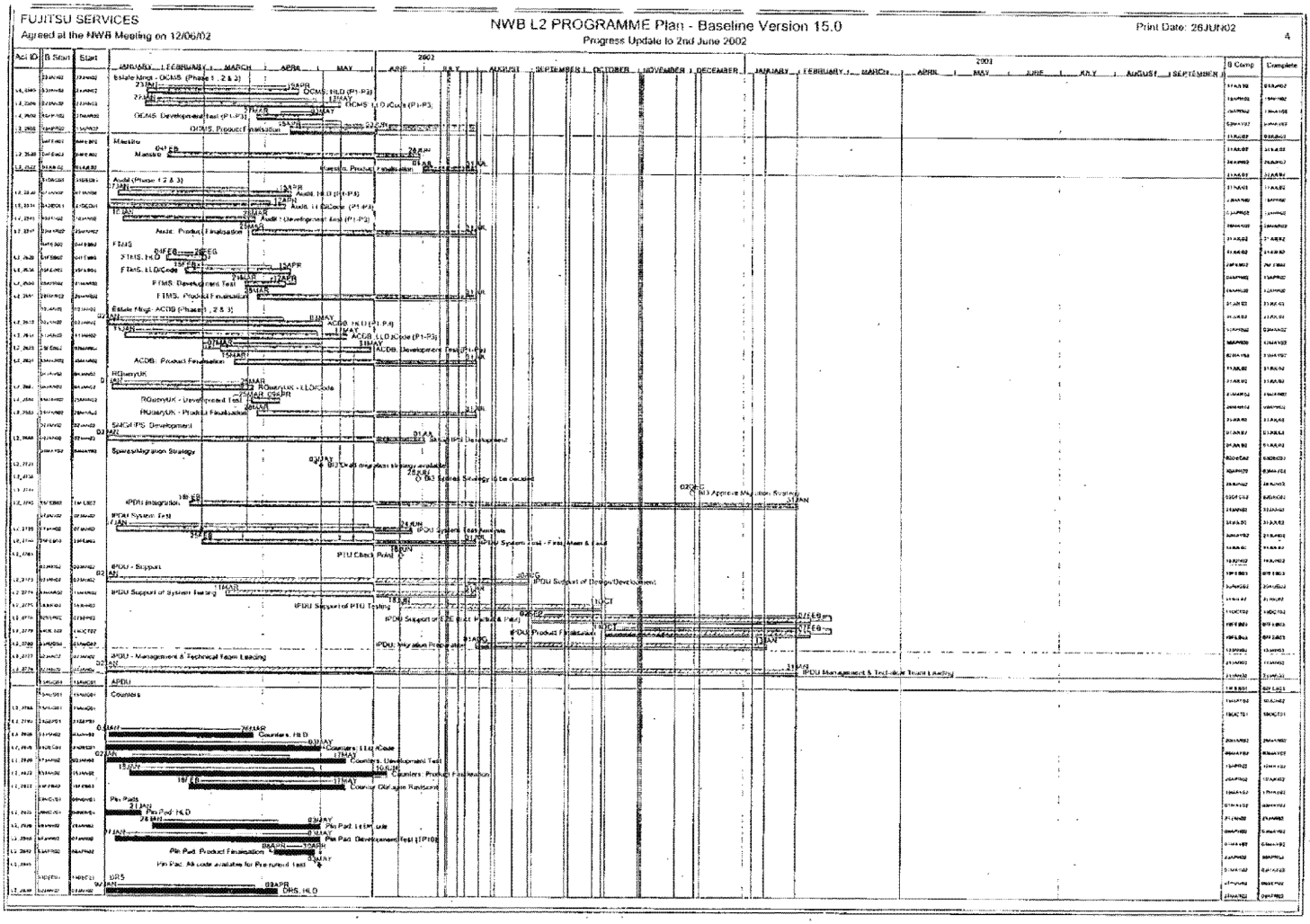
FUJITSU SERVICES

Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



FUJ00119623

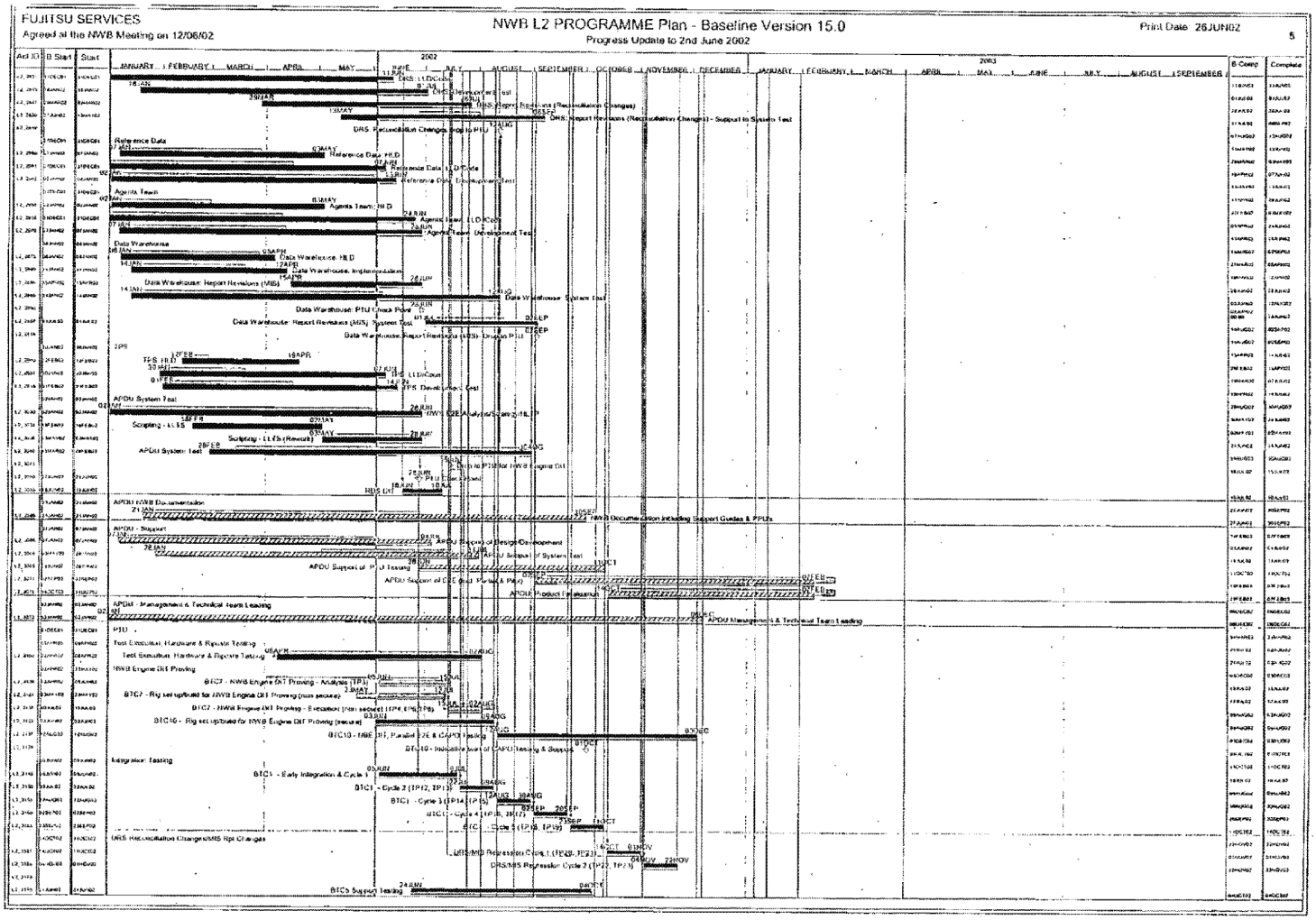
FUJITSU SERVICES

Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



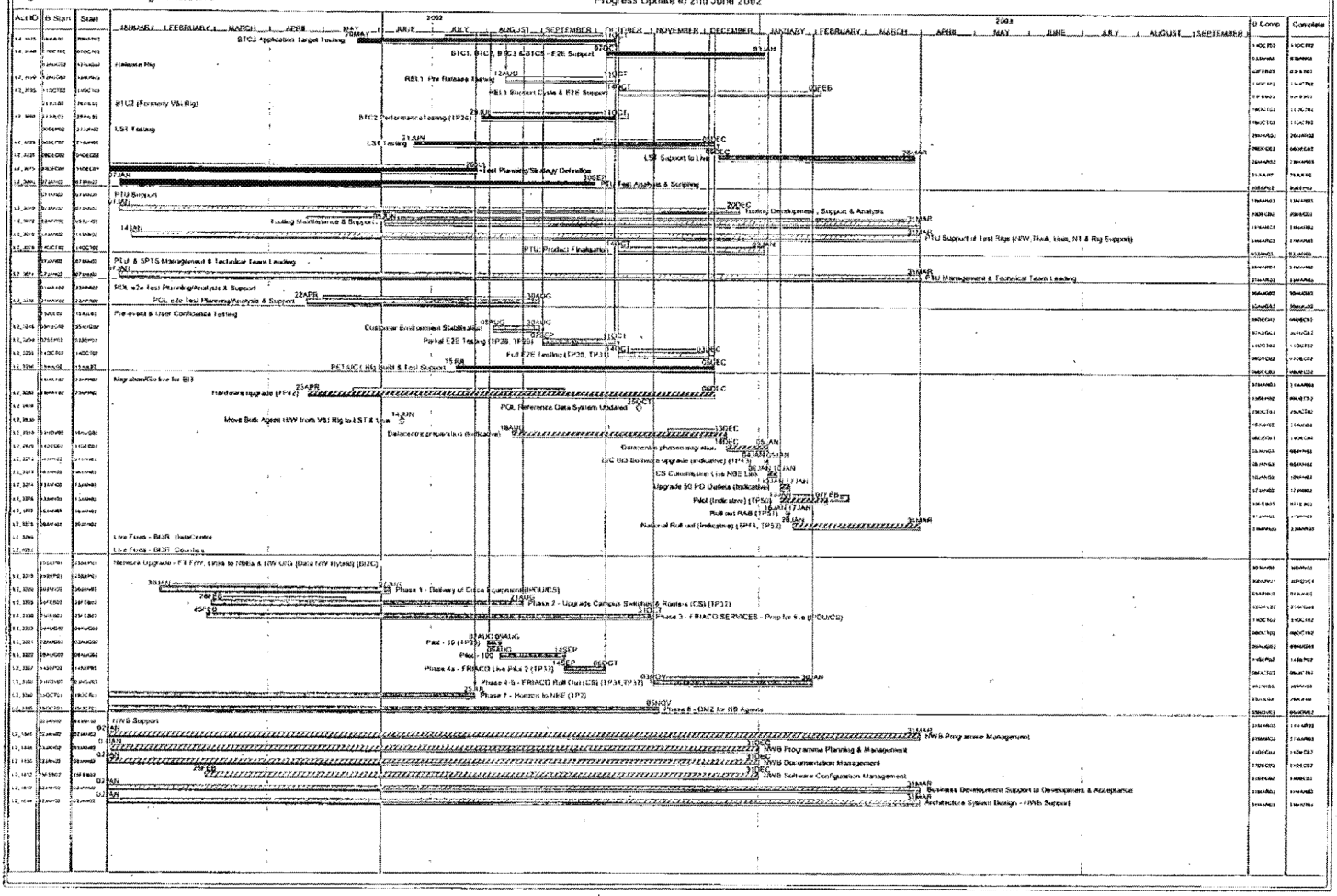
FUJ00119623

FUJITSU SERVICES
Agreed at the NWB Meeting on 12/06/02

NWB L2 PROGRAMME Plan - Baseline Version 15.0

Progress Update to 2nd June 2002

Print Date: 26JUN02



FUJ00119623

ANNEX 3

EXAMPLE OF LEVEL 3 PLAN

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	ETC Hrs	EAC Hrs	Resources
AD_EV001	SUMM : CHARGEABLE BI3 POST 31 DEC 01 (CCN850) :	434	05JUL01	07MAR03	93128	38818	23812	62230	Conlon,Roger, MacDonald,Duncan, Agrawal,Sudhanshu, McConnell,Martin, Kay,Steve,
AD_EV003	SUMM : CHARGEABLE BI3 POST 31 DEC 01 (CCN850) : COURIERS	119	31DEC01	19JUN02	7687	7542	49	7591	McConnell,Martin, Kay,Steve, _,Wright,Walter, Barnes,Gerald, Chilaka,Francesca, Toh,Keith, Chan
AD_HB0045	CLOSED : CP3161 (CCN850) : SPLIT2 :Baseline Framework - LLD / Unit Review	92	09JAN02	17MAY02	180	147	0	147	McConnell,Martin, Kay,Steve, Barnes,Gerald, Toh,Keith, Bailey,Chris
AD_HB0060	CLOSED : CP3161 (CCN850) : SPLIT 2 : Pre Part Design	6	25FEB02	04MAR02	48	0	0	0	
AD_HB0045	CP3161 (CCN850) : Baseline AIS - Migration Strategy	44	08APR02	10JUN02	80	50	30	80	Bailey,Chris
AD_HB0069	CLOSED :CP3161 (CCN850) : SPLIT2 : HLD Phase 3	26	03JAN02	11FEB02	228	228	0	228	Toh,Keith, Bailey,Chris
AD_HB0080	HLD P3 Draft 2 update available	0		08FEB02					
AD_HB0081	CLOSED : CP3161 (CCN850) : HLD Final Draft	32	11FEB02	28MAR02	129	107	0	107	Bailey,Chris
AD_HB0082	CLOSED : CP3225 (CCN850) : HLD (Counter Dialogues v0.8) Re-Work	23	16APR02	17MAY02	40	29	0	29	Bailey,Chris
AD_HB0114	CLOSED : CP3161 (CCN850) : Counter Dialogue Design	27	11JAN02	18FEB02	174	174	0	174	Toh,Keith, _1_Johns,David, Pharoah,Helen
AD_HB0113	CLOSED : CP3161 (CCN850) : Counter Dialogue Review	18	04FEB02	27FEB02	58	58	0	58	_1_Johns,David, Lewin,Steve, Pharoah,Helen
AD_HB0111	CLOSED : CP3161 (CCN850) :Counter Dialogue Baseline Update	5	28FEB02	06MAR02					
AD_HB0114	CLOSED : CP3225 (CCN850) : Counter Dialogues Additional Work	71	18FEB02	17MAY02	618	704	0	704	Kay,Steve, _Wright,Walter, Toh,Keith, D'Alvarez,Abel, _1_Johns,David, Bailey,Chris, _1_I
AD_HB0038	CLOSED : CP3161 (CCN850) : SPLIT 2 : Team Leading & Support Guide	67	31DEC01	05APR02	319	319	0	319	_Wright,Walter
AD_HB0039	CP3161 (CCN850) : SPLIT 2 : Team Leading & Support Guide (Completion)	46	15APR02	19JUN02	81	60	21	90	_Wright,Walter, Toh,Keith
AD_HB0045	CLOSED : CP3161 (CCN850) : Trace and Diagnostics - Draft LLD	29	11FEB02	21MAR02	90	109	0	109	_Wright,Walter, Gilbert,Mark
AD_HB0046	CP3161 (CCN850) : Trace and Diagnostics - Final Draft LLD	12	20MAY02	29MAY02	22	19	3	22	Goodwin,Adrian, Gilbert,Mark
AD_HB0050	CLOSED : CP3161 (CCN850) : Trace and Diagnostics - Code	27	20MAR02	29APR02	80	96	0	96	Gilbert,Mark
AD_HB0124	CLOSED : CP3161 (CCN850) : Trace and Diagnostics - Unit Test	15	26APR02	17MAY02	48	50	0	50	Goodwin,Adrian, Gilbert,Mark
AD_MB2160	Trace and Diagnostics - Release Code to Link Test	0		17MAY02					
AD_HB0175	CLOSED : CP3161 (CCN850) : SPLIT 2 : Load Definitions + Validation Function	17	03JAN02	25JAN02	37	37	0	37	McConnell,Martin
AD_HB0182	CLOSED : CP3161 (CCN850) : Load Definitions + Validation Functions - Code	12	14JAN02	29JAN02	10	10	0	10	McConnell,Martin
AD_MB3185	CLOSED : CP3161 (CCN850) : Load Definitions + Validation Functions - Unit	9	27FEB02	11MAR02	36	29	0	29	McConnell,Martin
AD_MB3186	Load Definitions + Validation Functions - Release Code to Link Test	0		11MAR02					
AD_HB0210	CLOSED : CP3161 (CCN850) : SPLIT 2 : Manual Input - LLD	18	02JAN02	25JAN02	70	70	0	70	Evans,Steve
AD_HB0214	CLOSED : CP3161 (CCN850) : SPLIT 2 : Manual Input - Final Draft - LLD	58	28JAN02	19APR02	40	26	0	26	Evans,Steve
AD_HB0215	CLOSED :CP3161 (CCN850) : Manual Input - Code	22	14JAN02	12FEB02	97	97	0	97	Evans,Steve
AD_HB0220	CLOSED : CP3161 (CCN850) : Manual Input - Unit Test	22	28JAN02	26FEB02	98	98	0	98	Evans,Steve
AD_HB0221	Manual Input - Release Code to Link Test	0		26FEB02					
AD_HB0240	CLOSED :CP3161 (CCN850) : SPLIT 2 : Operation Launch - LLD	21	21JAN02	18FEB02	41	41	0	41	Barnes,Gerald
AD_HB0246	CLOSED : CP3161 (CCN850) : Operation Launch - Final Draft LLD	8	20FEB02	01MAR02	18	12	0	12	Barnes,Gerald
AD_HB0250	CLOSED :CP3161 (CCN850) : SPLIT 2 : Operation Launch - Code	22	31DEC01	30JAN02	58	58	0	58	Barnes,Gerald
AD_HB0253	CLOSED : CP3161 (CCN850) : Operation Launch - Unit Test	19	24JAN02	18FEB02	78	78	0	78	Barnes,Gerald
AD_HB0257	CLOSED : CP3225 (CCN850) : Dialogues V0.8/9/10 - Op Launch Changes	6	26APR02	03MAY02	40	32	0	32	Barnes,Gerald
AD_HB0260	Operation Launch - Release Code to Link Test	0		18FEB02					
AD_HB0265	Token recognition & OP Launch - Link testing	0		11MAR02					
AD_HB0280	CLOSED : CP3161 (CCN850) : SPLIT2: Reply Request - Draft LLD	35	02JAN02	19FEB02	199	166	0	166	Mansfield,Andrew
AD_HB0281	CLOSED : CP3161 (CCN850) : SPLIT2: Reply Request - Final LLD	48	11MAR02	17MAY02	32	16	0	16	Mansfield,Andrew

Delivery Stream Manager: A D'ALVAREZ
Project Planner: R BRETT

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.apj
Vision Ref: S1004_V2.1
Form File: g:\projects\plans\standard reports\CustomerLOPlan.avf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	Resource List
AD_N80265	CLOSED : CP3161 (CCN850) : Reply Request - Code	38	18FEB02	12APR02	190 129 0 129 McConnell Martin, Mansfield,Andrew
AD_N80250	CLOSED : CP3161 (CCN850) : Reply Request - Unit Test	27	11MAR02	18APR02	88 142 0 142 Mansfield,Andrew
AD_N80255	Reply Request - Release Code to Link Test	0		18APR02	
AD_N80303	CLOSED :CP3161 (CCN850) : Output (Receipt Printing) - LLD	22	02JAN02	31JAN02	88 88 0 88 Orton,Philip
AD_N80306	CLOSED : CP3161 (CCN850) : Output (Receipt Printing) - Final LLD	24	30JAN02	04MAR02	15 15 0 15 Orton,Philip
AD_N80310	CLOSED : CP3161 (CCN850) : Output (Receipt Printing) - Code	25	16JAN02	19FEB02	99 99 0 99 Orton,Philip
AD_N80315	CLOSED : CP3161 (CCN850) : Output (Receipt Printing) - Unit Test	28	04FEB02	14MAR02	136 144 0 144 Orton,Philip
AD_N80320	Output (Receipt Printing) - Release Code to Link Test	0		14MAR02	
AD_N80325	CLOSED :CP3161 (CCN850) : Local Devices (PIN Pad) - Unit Test (Phase 1)	13	07JAN02	23JAN02	79 79 0 79 Goudwin,Adrian
AD_N80340	PIN PAD TEST APPS DELIVERY	0		08FEB02	
AD_N80345	CLOSED : CP3161 (CCN850) : Local Devices (PIN Pad) - Draft LLD	42	28JAN02	26MAR02	135 132 0 132 O'Neil,Richard
AD_N80346	CLOSED : CP3161 (CCN850) : Local Devices (PIN Pad) - Final LLD	17	08APR02	30APR02	25 25 0 25 O'Neil,Richard
AD_N80347	CLOSED : CP3229 (CCN850) : Dialogues V8.85/V10 - Output & Report Changes	16	18MAR02	15APR02	30 30 0 30 Orton,Philip
AD_N80360	CLOSED : CP3161 (CCN850) : Local Devices (PIN Pad) - Code	14	14MAR02	04APR02	80 80 0 80 O'Neil,Richard
AD_N80365	CLOSED : CP3161 (CCN850) : Local Devices (PIN Pad) - Unit Test	21	03APR02	01MAY02	120 120 0 120 O'Neil,Richard
AD_N80360	Local Devices (PIN Pad) - Release Code to Link Test	0		04APR02	
AD_N80370	CLOSED :CP3161 (CCN850) : Finalise - LLD	24	15JAN02	14FEB02	101 101 0 101 McConnell,Martin
AD_N80371	CLOSED : CP3161 (CCN850) : Finalise - Final LLD	5	15APR02	19APR02	16 16 0 16 McConnell,Martin
AD_N80375	CLOSED :CP3161 (CCN850) : Finalise - Code	23	06FEB02	08MAR02	125 127 0 127 McConnell,Martin
AD_N80380	CLOSED :CP3161 (CCN850) : Finalise - Unit Test	26	21FEB02	28MAR02	70 41 0 41 McConnell,Martin
AD_N80385	Finalise - Release Code to Link Test	0		28MAR02	
AD_N80402	CLOSED :CP3161 (CCN850) : SPLIT7 - Generic Recovery - Draft LLD	33	02JAN02	15FEB02	227 227 0 227 Chiarini,Francesco
AD_N80401	CLOSED : CP3161 (CCN850) : Generic Recovery - Final LLD	6	22APR02	29APR02	35 35 0 35 Chiarini,Francesco
AD_N80403	CLOSED : CP3161 (CCN850) : Generic Recovery -Code	25	11FEB02	21MAR02	170 186 0 186 Chiarini,Francesco
AD_N80410	CLOSED : CP3161 (CCN850) : Generic Recovery -Unit Test	21	21MAR02	22APR02	76 124 0 124 Chiarini,Francesco
AD_N80412	CLOSED : CP3229 (CCN850) : Dialogues V8.85/V10 - Recovery Changes	6	26APR02	03MAY02	40 40 0 40 Chiarini,Francesco
AD_N80415	Generic Recovery - Release Code to Link Test	0		22APR02	
AD_N80430	CLOSED : CP3161 (CCN850) : Reports - Code	16	07MAR02	28MAR02	119 52 0 52 Orton,Philip
AD_N80435	CLOSED : CP3161 (CCN850) : Reports - Unit Test	9	22MAR02	05APR02	30 26 0 26 Orton,Philip
AD_N80440	Reports - Release Code to Link Test	0		05APR02	
AD_N80450	CLOSED : CP3161 (CCN850) : SPLIT 1 : Comms Watchdog - Draft LLD	45	14FEB02	19APR02	80 80 0 80 Barnes,Gerald
AD_N80451	CLOSED : CP3161 (CCN850) : SPLIT 1 : Comms Watchdog - Final LLD	8	19APR02	30APR02	34 34 0 34 Barnes,Gerald
AD_N80455	CLOSED : CP3161 (CCN850) : Comms Watchdog - Code	13	22MAR02	11APR02	49 59 0 59 Barnes,Gerald
AD_N80460	CLOSED : CP3161 (CCN850) : Comms Watchdog - Unit Test	12	02MAY02	17MAY02	49 47 0 47 Barnes,Gerald
AD_N80462	CLOSED : CP3229 (CCN850) : On-Line Indicator (Traffic Lights)	10	02APR02	15APR02	13 13 0 13 Barnes,Gerald
AD_N80463	CLOSED : CP3229 (CCN850) : On-Line Indicator (Traffic Lights) Rework	8	13MAY02	17MAY02	30 58 0 58 Kay,Steve, Barnes,Gerald
AD_N80465	Comms Watchdog - Release Code to Link Test	0		17MAY02	
AD_N80475	CLOSED :CP3161 (CCN850) : PS Logging Filter - LLD	29	21JAN02	05MAR02	57 57 0 57 EFT-Wong,Samuel

Delivery Stream Manager: A. D'ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.asp
Vision Ref: ST004_V2.1
Form File: g:\projects\plans\standard reports\Customer_3Plan.avt

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	2001 DEC	2002 JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2003 JAN	FEB	MAR	APR	BAC Hrs	ACT Hrs	ETC Hrs	FAC Hrs	Resource List
AD_HB0480	CLOSED : CP3161 (CCN650) : PS Logging Filter - Code	35	14JAN02	01MAR02		14JAN 01MAR																88	88	0	88	LEFT-Wong,Samuel
AD_HB0481	CLOSED : CP3161 (CCN650) : PS Logging Filter - Unit Test	32	17JAN02	01MAR02		17JAN 01MAR																77	77	0	77	LEFT-Wong,Samuel
AD_HB0490	PS Logging Filter - Release Code to Link Test	0		01MAR02		01MAR																				
AD_HB0508	CLOSED : CP3161 (CCN650) : PIN Pad Driver - Unit Test (Phase 1)	17	07JAN02	29JAN02		07JAN 29JAN																15	15	0	15	Goodwin,Adrian
AD_HB0510	CLOSED : CP3161 (CCN650) : PIN Pad Driver - Draft LLD	35	28JAN02	15MAR02		28JAN	15MAR															138	103	0	103	Goodwin,Adrian
AD_HB0511	CLOSED : CP3161 (CCN650) : PIN Pad Driver - Final LLD	10	15APR02	26APR02					15APR	26APR												30	30	0	30	Goodwin,Adrian
AD_HB0515	CLOSED : CP3161 (CCN650) : PIN Pad Driver - Code	40	07MAR02	03MAY02				07MAR		03MAY												128	128	0	128	Goodwin,Adrian
AD_HB0518	CLOSED : CP3161 (CCN650) : PIN Pad Driver - Unit Test	19	02APR02	26APR02					02APR	26APR												65	65	0	65	Goodwin,Adrian
AD_HB0523	PIN Pad Driver - Release Code to Link Test	0		03MAY02						03MAY																
AD_HB0535	CLOSED : CP3161 (CCN650) : PIN Pad Test Application - LLD	35	04FEB02	25MAR02				04FEB	25MAR													28	7	0	7	O'Neil,Richard
AD_HB0545	CLOSED : CP3161 (CCN650) : PIN Pad Test Application - Unit Test	15	21JAN02	11FEB02		21JAN	11FEB															82	82	0	82	O'Neil,Richard
AD_HB0550	PIN Pad Test Application - Release Code to Link Test	0		08FEB02			08FEB																			
AD_HB0560	CLOSED :CP3161 (CCN650) : VB Applications Framework - Draft LLD	28	31DEC01	07FEB02		31DEC	07FEB															234	234	0	234	Kay,Steve, LEFT-Wong,Samuel
AD_HB0561	CLOSED : CP3161 (CCN650) : VB Applications Framework - Final LLD	64	18FEB02	07MAY02				18FEB		07MAY												60	56	0	56	Kay,Steve
AD_HB0565	CLOSED : CP3161 (CCN650) : VB Applications Framework - Code	33	06FEB02	22MAR02				06FEB	22MAR													200	178	0	178	Kay,Steve, Chiarito,Francesco
AD_HB0566	CP3161 (CCN650) : VB Applications Framework - STD4 Integration	0		22MAR02					22MAR																	
AD_HB0570	CLOSED : CP3161 (CCN650) : VB Applications Framework Unit Test	31	11MAR02	24APR02					11MAR	24APR												157	75	0	75	Kay,Steve
AD_HB0572	CLOSED : CP3229 (CCN650) : Dialogues V0 B/S/10 - Vb Framework Changes	29	25MAR02	07MAY02						25MAR	07MAY											149	132	0	132	Kay,Steve
AD_HB0575	VB Applications Framework - Release Code to Link Test	0		28DEC01		28DEC																				
AD_HB0576	CLOSED : CP3161 (CCN650) : 3rd Party DLL - Draft LLD	29	25FEB02	08APR02					25FEB	08APR												40	29	0	29	Evans,Steve
AD_HB0577	CLOSED : CP3161 (CCN650) : 3rd Party DLL - Code	17	25FEB02	19MAR02					25FEB	19MAR												65	80	0	80	Evans,Steve
AD_HB0578	CLOSED : CP3161 (CCN650) : 3rd Party DLL - Unit Test	18	12MAR02	04APR02					12MAR	04APR												100	37	0	37	Evans,Steve
AD_HB0579	CLOSED : CP3161 (CCN650) : 3rd Party DLL - Final LLD	11	07MAY02	17MAY02							07MAY	17MAY										50	48	0	48	Evans,Steve
AD_HB0581	CLOSED : CP3229 (CCN650) : Dialogues V0 B/S/10 - 3rd Party & Int Changes	25	03APR02	08MAY02							03APR	08MAY										88	88	0	88	Evans,Steve
AD_HB0640	CLOSED :CP3229 (CCN650) : Dialogues V0 B/S/10 - Icons Changes	23	11APR02	14MAY02							11APR	14MAY										16	14	0	63	Morris,Trish
AD_HB0643	CLOSED :CP3161 (CCN650) : SPLIT 2 : Common Library - LLD	19	02JAN02	25JAN02		02JAN 25JAN																19	19	0	19	Kay,Steve
AD_HB0645	CLOSED : CP3161 (CCN650) : Common Library - Code	47	07JAN02	12MAR02		07JAN		12MAR														189	222	0	222	Kay,Steve, Toh,Keith
AD_HB0650	CLOSED : CP3161 (CCN650) : Common Library - Unit Test	29	25FEB02	08APR02				25FEB		08APR												80	93	0	93	Toh,Keith
AD_HB0655	Common Library - Release Code to Link Test	0		12MAR02				12MAR																		
AD_HB0656	Counter Apps - Code Available for STD4 Integration (Pre PVCS Testing) Phase 1	0		14MAR02				14MAR																		
AD_HB0657	Counter Apps - Code Available for STD4 Integration (Pre PVCS Testing) Phase 2	0		04APR02					04APR																	
AD_HB0718	CLOSED : CP3216 (CCN650) : Reconciliation - revised requirements	42	18FEB02	18APR02				18FEB		18APR												180	180	0	180	Chandler,Peter, *DAlvarez,Alan, _1_Johns,David, Hicks,Richard, _1_Lowman,Nick, _Ams,Matt
AD_HB1246	CMS - UNIT TEST's DROP TO INTEGRATION PHASE 2	0		03MAY02						03MAY																
AD_EV4003	SUMM : CHARGEABLE BI3 POST J1 DEC 01 (CCN650) - ORS	190	31DEC01	30SEP02		31DEC															30SEP	8435	5506	1704	7211	Dobbs,Roger, Agrawal,Sudhanshu, Shah,Rahul, Chandler,Peter, Stevens,Andrew, _1_Johns,David, He
AD_HB0709	CLOSED : CP3161 (CCN650) : SPLIT 2 : Host HLD - Final Draft	68	02JAN02	09APR02		02JAN				09APR												278	251	0	251	Agrawal,Sudhanshu, Chandler,Peter
AD_HB0736	CLOSED : CP3161 (CCN650) : Work Station HLD - Re Arch	24	04FEB02	07MAR02				04FEB		07MAR												88	76	0	76	Chandler,Peter, Dhaiwat,Rajdeep
AD_HB0752	CLOSED :CP3161 (CCN650) : LLD - Start of Day (Phase 1)	4	14JAN02	17JAN02		14JAN	17JAN															9	9	0	9	Shah,Rahul
AD_HB0753	CLOSED :CP3161 (CCN650) : Code - Start of Day (Phase 1)	21	10JAN02	07FEB02			04JAN 07FEB															28	28	0	28	Shah,Rahul

Delivery Stream Manager: A. D' ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.mpp
Version Ref: STD04_V2.1
Form File: g:\projects\plans\standard reports\Customer L3Plan.mpf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	2001 DEC	JAN	FEB	MAR	APR	MAY	2002 JUN	JUL	AUG	SEP	OCT	NOV	DEC	2003 JAN	FEB	MAR	APR	OAC hrs	ACT hrs	ETC hrs	EAC hrs	Resource List
AD_M80760	CLOSED : CP3161 (CCN858) : Unit Test - Start of Day (Phase 1)	56	04FEB02	26APR02				04FEB		26APR												30	31	0	31	Shah,Rahul
AD_M80772	CLOSED :CP3161 (CCN850) : LLD - Agent Interfaces (Phase 1)	9	21JAN02	31JAN02			21JAN	31JAN														52	52	0	52	Shah,Rahul
AD_M80781	CLOSED :CP3161 (CCN850) : Agent Interfaces LLD (Rework)	56	15JAN02	04APR02			15JAN		04APR													65	70	0	70	Shah,Rahul
AD_M80785	CLOSED : CP3161 (CCN850) : SPLIT 2 : Code - Agent Interfaces (Phase 1)	48	15JAN02	22MAR02			15JAN		22MAR													208	184	0	184	Shah,Rahul
AD_M80790	CLOSED : CP3161 (CCN850) : Unit Test - Agent Interfaces (Phase 1)	52	15MAR02	03JUN02				15MAR			31MAY											270	194	0	194	Shah,Rahul, Stevens,Aruna
AD_M80791	CP3161 (CCN858) : Unit Test - Drop to S104 take on DRS	0		24APR02						24APR																
AD_M80865	CLOSED : CP3161 (CCN850) : SPLIT 2 : LLD -Input Tables (Phase 1)	30	24JAN02	06MAR02					24JAN		06MAR											51	24	0	24	Agrawal,Sudhanshu, Shah,Rahul, Chandler,Peter
AD_M80846	CLOSED : CP3161 (CCN850) : Code - Input Tables (Phase 1)	14	12FEB02	01MAR02						12FEB	01MAR											66	28	0	28	Shah,Rahul
AD_M80845	CLOSED : CP3161 (CCN850) : Unit Test - Input Tables (Phase 1)	15	15APR02	03MAY02																	15APR	03MAY	86	66	0	66	Shah,Rahul
AD_M80825	CP3161 (CCN858) : LLD -Output Table's	2	14JAN02	15JAN02					14JAN	15JAN																
AD_M80830	CP3161 (CCN850) : Code - Output Tables (Phase 1)I	2	16JAN02	17JAN02					16JAN	17JAN																
AD_M80835	CP3161 (CCN850) : Unit Test - Output Tables (Phase 1)	3	18JAN02	22JAN02					18JAN	22JAN																
AD_M80836	CLOSED : CP3161 (CCN850) : SPLIT 2 : LLD -Exception Handling (Phase 1)	27	02JAN02	07FEB02			02JAN	07FEB														120	120	0	120	Dattani,Jigna
AD_M80855	CLOSED : CP3161 (CCN850) : Code - Exception Handling (Phase 1)	20	23JAN02	19FEB02				23JAN	19FEB													114	94	0	94	Dattani,Jigna
AD_M80856	CLOSED : CP3161 (CCN850) : Unit Test - Exception Handling (Phase 1)	31	14MAR02	29APR02							14MAR		29APR									59	42	6	42	Dattani,Jigna
AD_M80875	CLOSED : CP3161 (CCN850) : SPLIT 2 : LLD -Main Store (Phase 1)	66	02JAN02	05APR02			02JAN			05APR												275	225	0	225	Agrawal,Sudhanshu, Brown,Duncan
AD_M80880	CLOSED : CP3161 (CCN850) : Code - Main Store (Phase 1)	82	07JAN02	04APR02				07JAN		04APR												490	416	0	416	Agrawal,Sudhanshu, Brown,Duncan
AD_M80885	CP3161 (CCN850) : Unit Test - Main Store (Phase 1)	80	19FEB02	27JUN02					19FEB												14JUN	338	328	34	362	Agrawal,Sudhanshu, Brown,Duncan, Mehta,Meenakshi
AD_M80886	CP3161 (CCN850) : Unit Test - Main Store take on DRS Phase 1 Integration	0		28MAR02																	28MAR					
AD_M80900	CLOSED : CP3161 (CCN858) : SPLIT 2 : LLD -Recon. Reports (Phase 1)	35	31DEC01	18FEB02		31DEC		18FEB														377	377	0	377	Ovington,Matt, Attilla Bandna, D'Souza,Cheryl
AD_M80905	CLOSED : CP3161 (CCN858) : Code - Reconciliation Reports (Phase 1)	42	29JAN02	27MAR02				29JAN			27MAR											482	463	0	463	Ovington,Matt, Attilla Bandna, D'Souza,Cheryl
AD_M80910	CLOSED : CP3161 (CCN858) : Unit Test - Reconciliation Reports (Phase 1)	45	14FEB02	19APR02					14FEB				9APR									210	213	0	213	Ovington,Matt, Attilla Bandna, D'Souza,Cheryl
AD_M80911	CP3161 (CCN858) : Reconciliation Reports - Rmp to Id_P1	0		28MAR02																	28MAR					
AD_M80920	CP3161 (CCN858) : SPLIT 1 : LLD -Housekeeping (Phase 1)	47	02APR02	24MAY02						02APR											07JUN	230	122	39	161	Agrawal,Sudhanshu, Shah,Rahul, Brown,Duncan, D'Souza,Cheryl, Mehta,Meenakshi, Gurunathan,Siva
AD_M80925	CP3161 (CCN858) : Code - Housekeeping (Phase 1)	38	17APR02	11JUL02							17APR										11JUN	230	38	120	158	Agrawal,Sudhanshu, Shah,Rahul, Brown,Duncan, D'Souza,Cheryl, Mehta,Meenakshi, Gurunathan,Siva
AD_M80930	CP3161 (CCN858) : Unit Test - Housekeeping (Phase 1)	14	12JUN02	01JUL02																	12JUN01JUL	230	0	158	158	Agrawal,Sudhanshu, Shah,Rahul, Brown,Duncan, D'Souza,Cheryl, Mehta,Meenakshi, Gurunathan,Siva
AD_M80940	CLOSED : CP3161 (CCN858) : LLD -Archiving (Phase 2)	16	13MAY02	21MAY02																	13MAY21MAY	112	54	0	54	Gurunathan,Siva
AD_M80945	CP3161 (CCN858) : Code - Archiving (Phase 2)	12	22MAY02	11JUN02																	22MAY11JUN	112	21	59	80	Gurunathan,Siva
AD_M80950	CP3161 (CCN858) : Unit Test - Archiving (P1U) (Phase 2)	14	12JUN02	01JUL02																	12JUN01JUL	112	0	80	80	Gurunathan,Siva
AD_M80955	CP3161 (CCN858) : LLD - Audit (Phase 2)	6	20MAY02	04JUN02																	20MAY04JUN	112	33	40	73	Attilla,Bandna, Gurunathan,Siva
AD_M80965	CP3161 (CCN858) : Code - Audit (Phase 2)	5	05JUN02	11JUN02																	05JUN11JUN	112	0	80	80	Attilla Bandna, Gurunathan,Siva
AD_M80970	CP3161 (CCN858) : Unit Test - Audit (Phase 2)	14	12JUN02	01JUL02																	12JUN01JUL	112	0	80	80	Attilla Bandna, Gurunathan,Siva
AD_M80985	CLOSED : CP3161 (CCN858) : SPLIT 2 : LLD -Workstation (Phase 1)	68	03JAN02	10APR02			03JAN				10APR											292	254	0	254	Dattani,Jigna, Dhaliwal,Rajdeep
AD_M80990	CLOSED : CP3161 (CCN850) : Code - Workstation (Phase 2)	27	25FEB02	04APR02					25FEB		04APR											448	358	0	358	Dattani,Jigna, Dhaliwal,Rajdeep, Mehta,Meenakshi
AD_M80995	CLOSED : CP3161 (CCN850) : Unit Test - Workstation (Phase 2)	42	22MAR02	30MAY02																	22MAR	30MAY	157	160	0	160	Dattani,Jigna, Dhaliwal,Rajdeep, Mehta,Meenakshi
AD_M80997	CP3161 (CCN858) : Unit Test - Intercept Test Exec. 2	0		20MAY02																	20MAY					
AD_M80999	CP3161 (CCN858) : Unit Test - Workstation (Phase 2) - Intercept DNS Rig Reset for Cycle 2	0		05MAY02																	05MAY					
AD_M81010	CLOSED : CP3161 (CCN850) : SPLIT 2 : LLD -Database (Phase 2)	37	31DEC01	20FEB02		31DEC		20FEB														146	146	0	146	Dossa,Roger, Shah,Rahul

Delivery Stream Manager: A. D. ALVAREZ
Project Planner: R. BIELEC

Baseline Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.mp
Vision Ref: STD04_V2.1
Form File: s:\progs\5\share\standard reports\CustomL3Plan.avf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	2001 DEC	2002 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC	2003 JAN FEB MAR APR	BAC hrs	ACT hrs	ETC hrs	EAC hrs	Resource Ids
AD_MB1015	CLOSED : CP3161 (CCN850) : Code - Database (Phase 2)	37	05MAR02	26APR02		05MAR 26APR		144	77	0	77	Shah,Rahul, Chandler,Peter, Mehta Meenakshi
AD_MB1023	CLOSED : CP3161 (CCN850) : Test & Build Scripts - Database (Phase 2)	33	11MAR02	26APR02		11MAR 26APR		144	80	0	80	Shah,Rahul, Mehta,Meenakshi
AD_MB1024	ORS - UNIT TEST's DROP TO INTEGRATION PHASE 1	0		05APR02		05APR						
AD_MB1025	ORS - UNIT TEST's COMPLETE (PHASE 1)	0		03MAY02		03MAY						
AD_MB1032	ORS - UNIT TEST's COMPLETE - DROP TO PVCS	0		27JUN02		27JUN						
AD_MB1031	ORS - UNIT TEST's COMPLETE Auds / Archive / BK (Drop to PTG)	0		01JUL02		01JUL						
AD_MB1035	CP3161 (CCN850) : ORS - Support Guide	65	01JUL02	30SEP02		01JUL 30SEP		480	0	480	480	Chandler,Peter
AD_MB1015	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Requirements Analysis i.e. Workstat	17	05APR02	29APR02		05APR 29APR		15	32	0	32	Dattani,Jigna, Dhaliwal,Rajdeep
AD_MB1018	CP3216 (CCN850) : CS/SPE/011 - Baseline	0		28MAR02		28MAR						
AD_MB1015	CLOSED : CP3216 (CCN850) : CS/SPE/011 - H & D Report 102	5	22APR02	26APR02		22APR 26APR		8	5	0	5	Chandler,Peter
AD_MB1020	CLOSED : CP3216 (CCN850) : CS/SPE/011 - H & D Report 101	13	08APR02	25APR02		08APR 25APR		80	40	0	40	Chandler,Peter, Gurunathan,Siva
AD_MB1021	CLOSED : CP3216 (CCN850) : CS/SPE/011 - H & D Report 103	30	03APR02	17MAY02		03APR 17MAY		120	122	0	122	Donato,Roger, Chandler,Peter
AD_MB1030	CLOSED : CP3216 (CCN850) : CS/SPE/011 - H&D Workstation Reports Re Work	8	24APR02	03MAY02		24APR 03MAY		75	62	0	62	Dattani,Jigna, Dhaliwal,Rajdeep
AD_MB1035	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Olivetti Design Change	12	01MAY02	17MAY02		01MAY 17MAY		10	10	0	10	Shah,Rahul
AD_MB1040	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Database Code	25	25APR02	31MAY02		25APR 31MAY		10	10	0	10	Shah,Rahul
AD_MB1045	CP3216 (CCN850) : CS/SPE/011 - Database Script Change	15	03JUN02	17JUN02		28MAY 17JUN		15	2	12	15	Shah,Rahul
AD_MB1050	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Database report output to file	25	25APR02	24MAY02		25APR 24MAY		24	24	0	24	Ovington,Matt
AD_MB1055	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Report 102 - LLD	8	02APR02	11APR02		02APR 11APR		16	16	0	16	Ovington,Matt, D'Souza,Cheryl
AD_MB1060	CLOSED : CP3216 (CCN850) : CLOSED - CS/SPE/011 - Report 102 - Code	9	02APR02	12APR02		02APR 12APR		21	21	0	21	Ovington,Matt, D'Souza,Cheryl
AD_MB1065	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Report 102 - Unit test	7	04APR02	12APR02		03APR 12APR		15	15	0	15	D'Souza,Cheryl
AD_MB1070	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Report 101 - LLD	11	17APR02	01MAY02		17APR 01MAY		75	74	0	74	Attika,Bandna, Gurunathan,Siva
AD_MB1075	CLOSED : CP3216 (CCN850) : CS/SPE/011 - Report 101 - Code	15	19APR02	10MAY02		19APR 10MAY		80	92	0	92	Attika,Bandna, Gurunathan,Siva
AD_MB1080	CLOSED : CP3161 (CCN850) : CS/SPE/011 - Report 101 - Unit test	21	25APR02	12JUN02		25APR 12JUN		80	100	0	100	Attika,Bandna, Gurunathan,Siva
AD_MB1085	CP3216 (CCN850) : CS/SPE/011 - Report 104 - LLD	12	20MAY02	06JUN02		20MAY 06JUN		140	36	104	140	Ovington,Matt, Attika,Bandna, D'Souza,Cheryl
AD_MB1090	CP3216 (CCN850) : CS/SPE/011 - Report 101 - Code	13	07JUN02	26JUN02		07JUN 26JUN		140	0	140	140	Ovington,Matt, Attika,Bandna, D'Souza,Cheryl
AD_MB1095	CP3161 (CCN850) : CS/SPE/011 - Report 103 - Unit test	10	27JUN02	10JUL02		27JUN 10JUL		80	0	80	80	Ovington,Matt, Attika,Bandna, D'Souza,Cheryl
AD_MB1099	CP3161 (CCN850) : CS/SPE/011 - Report 103 - Drop to APDU System Test	0		04JUL02 09:00		01JUL						
AD_MB1100	CP3216 (CCN850) : CS/SPE/011 - Workstation - LLD	25	02MAY02	28MAY02		02MAY 28MAY		75	52	24	75	Dattani,Jigna, Dhaliwal,Rajdeep
AD_MB1105	CP3216 (CCN850) : CS/SPE/011 - Workstation - Code	30	09MAY02	20JUN02		09MAY 20JUN		75	38	46	84	Dattani,Jigna, Dhaliwal,Rajdeep
AD_MB1110	CP3161 (CCN850) : CS/SPE/011 - Workstation - Unit Test	51	16MAY02	26JUL02		16MAY 26JUL		75	44	31	75	Dattani,Jigna
AD_MB1115	CP3216 (CCN850) : Design Support of CS/SPE/011 System test	36	15MAY02	04JUL02		15MAY 04JUL		80	36	44	80	Donato,Roger, Chandler,Peter, __Johns,David, Hicks,Richard, Dhaliwal,Rajdeep
AD_MB1120	CP3216 (CCN850) : Development Support of CS/SPE/011 System test	84	13MAY02	06SEP02		13MAY 06SEP		96	41	53	94	Shah,Rahul, Ovington,Matt, D'Souza,Cheryl, Gurunathan,Siva
AD_EV0004	SUMM : CHARGABLE SIS POST 31 DEC 01 [CCN850] : REF DATA	145	31DEC01	26JUL02	31DEC	26JUL		3311	2109	800	2909	MacDonald,Duncan, Harrison,David, Smith,Jenny, Cosiljd Najib, Hashim,Jamil, Greenwood,Kath, _,Ami
AD_MB1080	CLOSED : CP3161 (CCN850) : SPLIT 2 : Overview HLD - Final draft	60	07FEB02	03MAY02	07FEB	03MAY		54	26	0	26	MacDonald,Duncan
AD_MB1115	CLOSED : CP3161 (CCN850) : SPLIT 2 : RDMC HLD - Final draft	63	07JAN02	03MAY02	07JAN	03MAY		94	61	0	61	MacDonald,Duncan
AD_MB1130	CLOSED : CP3161 (CCN850) : SPLIT 2 : RJDS HLD - Final draft	82	08JAN02	03MAY02	08JAN	03MAY		94	38	0	38	MacDonald,Duncan
AD_MB1245	CLOSED :CP3161 (CCN850) LLD - Host Screens	10	14JAN02	25JAN02	14JAN	25JAN		17	17	0	17	Smith,Jenny
AD_MB1243	CLOSED :CP3161 (CCN850) : Test Plans - Host Screens	2	07FEB02	08FEB02	07FEB	08FEB						Smith,Jenny

Delivery Stream Manager: A. D' ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN07.sp
Vision Ref: STD04_V2.1
Form File: g:\projects\$basis\standard reports\Customer\L3Plan.svf

FUJ00119623

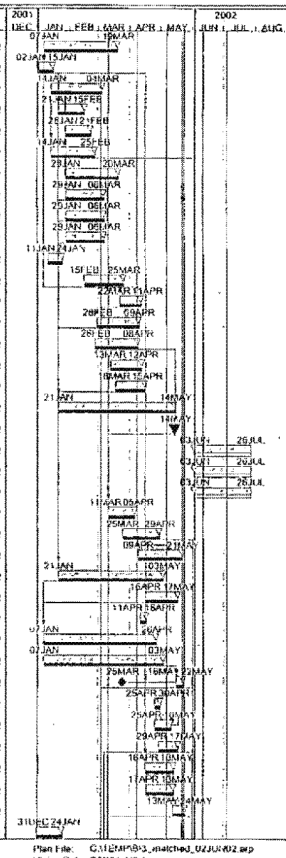
FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC hrs	ACT hrs	ETC hrs	EAC hrs	Resource List
AD_NB1230	CLOSED : CP3161 (CCN850) : Unit Test - Host Schemas	52	07JAN02	19MAR02	24	24	0	24	Smith,Jenny
AD_NB1300	CLOSED : CP3161 (CCN850) : SPLIT 2 : Unit Test - RDMC - Enforce Type A bits	19	02JAN02	15JAN02	120	120	0	120	Harrison,David, Coutya,Najib, Hashim,Jamil
AD_NB1315	CLOSED : CP3161 (CCN850) : SPLIT 2 : LLD - RDDS New NB Collections	36	14JAN02	04MAR02	106	106	0	106	Harrison,David, Coutya,Najib, Hashim,Jamil
AD_NB1370	CLOSED : CP3161 (CCN850) : Code - FT Impulses (RDDS)	20	21JAN02	15FEB02	68	68	0	68	Smith,Jenny
AD_NB1325	CLOSED : CP3161 (CCN850) : Code - Issuer Schemes (RDDS)	19	28JAN02	21FEB02	110	110	0	110	Hashim,Jamil
AD_NB1330	CLOSED : CP3161 (CCN850) : Code - FT Operations (RDDS)	31	14JAN02	25FEB02	210	210	0	210	Coutya,Najib
AD_NB1335	CLOSED : CP3161 (CCN850) : Test Plans - RDDS - New NB Collections	38	28JAN02	20MAR02	84	83	0	83	Harrison,David, Coutya,Najib
AD_NB1340	CLOSED : CP3161 (CCN850) : Unit Test - FT Impulses (RDDS)	27	25JAN02	06MAR02	32	32	0	32	Smith,Jenny
AD_NB1345	CLOSED : CP3161 (CCN850) : Unit Test - Issuer Schemes (RDDS)	27	28JAN02	08MAR02	32	33	0	34	Smith,Jenny, Hashim,Jamil
AD_NB1350	CLOSED : CP3161 (CCN850) : Unit Test - FT Operations (RDDS)	27	25JAN02	06MAR02	32	32	0	32	Smith,Jenny, Coutya,Najib
AD_NB1370	CP3161 (CCN850) : RDDS Available to Agents - Unit Test	10	11JAN02	24JAN02					
AD_NB1385	CLOSED : CP3161 (CCN850) : Code - DRS Interface	27	15FEB02	25MAR02	26	26	0	26	Smith,Jenny
AD_NB1390	CLOSED : CP3161 (CCN850) : Test plans - DRS Iface	13	22MAR02	11APR02	32	32	0	32	Smith,Jenny
AD_NB1393	CLOSED : CP3161 (CCN850) : Unit Test - DRS Iface	27	28FEB02	09APR02	32	32	0	32	Smith,Jenny
AD_NB1410	CLOSED : CP3161 (CCN850) : Code - DWH Interface	28	26FEB02	08APR02	90	124	0	124	Hashim,Jamil
AD_NB1415	CLOSED :CP3161 (CCN850) : Test Plans - DWH Interface	21	13MAR02	12APR02	24	0	0	0	
AD_NB1420	CLOSED : CP3161 (CCN850) : Unit Test - DWH Iface	19	18MAR02	15APR02	40	40	0	40	Hashim,Jamil
AD_NB1423	CLOSED : CP3161 (CCN850) : Unit Test - Build and Handover to System Test	79	21JAN02	14MAY02	46	12	0	12	MacDonald,Duncan, Smith,Jenny
AD_NB1320	REF DATA PHASE 1 : Handover to System Test	0		14MAY02					
AD_NB1440	CP3161 (CCN850) : RDMC Support Guide (Doc)	40	03JUN02	26JUL02	80	0	80	80	Ayris,Matt
AD_NB1445	CP3161 (CCN850) : RDDS Support Guide (Doc)	40	03JUN02	26JUL02	80	0	80	80	Ayris,Matt
AD_NB1450	CP3161 (CCN850) : RDMC Work Station Support Guide (Doc)	40	03JUN02	26JUL02	80	0	80	80	Ayris,Matt
AD_NB1465	CLOSED : CP3161 (CCN850) : LLD : Data Integrity - Template Verification (Ph	18	11MAR02	05APR02	64	56	0	56	Harrison,David, Coutya,Najib
AD_NB1470	CLOSED : CP3161 (CCN850) : Code : Data Integrity - Template Verification (P	24	25MAR02	29APR02	216	216	0	216	Harrison,David, Coutya,Najib
AD_NB1475	CLOSED : CP3161 (CCN850) : Unit Test : Data Integrity - Template Verificat	30	09APR02	17MAY02	200	199	0	199	Harrison,David, Coutya,Najib
AD_NB2485	CLOSED : CP3161 (CCN850) : LLD : Sizing of Physical Requirements (Phase2)	73	21JAN02	03MAY02	40	40	0	40	Smith,Jenny
AD_NB1490	CLOSED : CP3161 (CCN850) : Code : Sizing of Physical Requirements (Phase2)	23	16APR02	17MAY02	40	40	0	40	Smith,Jenny
AD_NB1500	CLOSED : CP3161 (CCN850) : LLD : Host Schedules (Phase2)	4	11APR02	16APR02	24	0	0	0	
AD_NB1505	CLOSED : CP3161 (CCN850) : LLD : Host Schemas (Phase2)	75	07JAN02	26APR02	32	32	0	32	Smith,Jenny
AD_NB1510	CLOSED : CP3161 (CCN850) : Code : Host Schemas (Phase2)	83	07JAN02	03MAY02	40	40	0	40	Smith,Jenny
AD_NB1515	CLOSED : CP3161 (CCN850) : Unit Test : Host Schemas (Phase2)	5	16MAY02	17MAY02	24	12	0	12	Smith,Jenny
AD_NB1525	CLOSED : CP3161 (CCN850) : LLD : RDMC & RDDS Housekeeping (Phase2)	4	25APR02	30APR02	24	0	0	0	
AD_NB1530	CLOSED : CP3161 (CCN850) : Code : RDMC & RDDS Housekeeping (Phase2)	11	25APR02	17MAY02	56	0	0	0	
AD_NB1535	CLOSED : CP3161 (CCN850) : Unit Test : RDMC & RDDS Housekeeping (Phase2)	14	29APR02	17MAY02	40	0	0	0	
AD_NB1545	CLOSED : CP3161 (CCN850) : LLD : RDMC Work Station Changes (Phase2)	19	16APR02	13MAY02	90	74	0	74	Harrison,David, Greenwood,Kath
AD_NB1550	CLOSED : CP3161 (CCN850) : Code : RDMC Work Station Changes (Phase2)	18	17APR02	13MAY02	170	70	0	70	Greenwood,Kath
AD_NB1555	CLOSED : CP3161 (CCN850) : Unit Test : RDMC Work Station Changes (Phase2)	10	13MAY02	21MAY02	96	25	0	25	Greenwood,Kath
AD_NB1560	CP3161 (CCN850) : Activity : LLD	16	31DEC01	24JAN02					



Delivery Stream Manager: A. D. ALVAREZ
Project Planner: R. RIFFEC

Baseline: Weekly Change

Plan File: G:\EMPABP3_matched_02JUN02.mp
Vision Ref.: STD04_V2.1
Form File: g:\projects\plans\standard reports\CustomerL3Plan.xvt

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	ETC Hrs	EAC Hrs	Resource List
AD_HB1570	CP3161 (CCN850) : Archiving - Code	18	31DEC01	24JAN02					
AD_HB1575	CP3161 (CCN850) : Archiving - Unit Test	14	08JAN02	25JAN02					
AD_HB1580	CLOSED : CP3161 (CCN850) : LLD : Migration Strategy (Phase2)	61	04MAR02	31MAY02	80	49	0	49	MacDonald,Duncan, Harrison,David, Smith,Jenny
AD_HB1590	CP3161 (CCN850) : Code : Migration Strategy (Phase2)	5	03JUN02	07JUN02	100	0	100	100	MacDonald,Duncan, Smith,Jenny
AD_HB1595	CP3161 (CCN850) : Unit Test : Migration Strategy (Phase2)	4	10JUN02	13JUN02	60	0	60	60	MacDonald,Duncan, Smith,Jenny
AD_HB1620	CLOSED : CP3161 (CCN850) : Link Test : Production (Phase2)	61	04MAR02	17MAY02	120	22	0	22	Smith,Jenny
AD_HB1630	CLOSED : CP3161 (CCN850) : Link Test : Run tests (Phase2)	55	07MAR02	28MAY02	160	28	0	28	Smith,Jenny
AD_HB1635	CLOSED : CP3161 (CCN850) : Build workpack age(s) (Phase2)	3	29MAY02	31MAY02	40	0	0	0	MacDonald,Duncan, Smith,Jenny
AV_HB1370	BDE DATA PHASE 2 : Horizon in System Test	0		21MAY02					
AD_EV3005	L2: SOMAN : CHARGABLE BI3 POST 31 DEC 01 (CCN850) - AGENTS	167	31DEC01	28AUG02	2935	2366	485	2851	Dixon,Rex, Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_HB1610	CLOSED : CP3161 (CCN850) : SPLIT 2 : HLD - Design Reviews	87	02JAN02	10MAY02	72	83	0	83	Dixon,Rex
AD_HB1700	CP3161 (CCN850) : Support Guide	62	03JUN02	28AUG02	400	0	400	400	Dixon,Rex
AD_HB1710	CLOSED : CP3161 (CCN850) : Authorisation Agent LLD	45	14JAN02	15MAR02	80	80	0	80	Andrew,Les
AD_HB1720	CLOSED : CP3161 (CCN850) : SPLIT 2 : Authorisation Agent - Code	70	02JAN02	11APR02	466	462	0	462	O'Brien,Terry
AD_HB1730	CLOSED : CP3161 (CCN850) : Authorisation Agent - Unit Test	25	08APR02	17MAY02	152	142	0	142	Rayner,John, O'Brien,Terry
AD_HB1735	CP3161 (CCN850) : Authorisation Agent - HOver To System Test	0		14MAR02					
AD_HB1745	CP3161 (CCN850) : Trace & Performance - LLD	3	20MAY02	03JUN02	16	0	53	53	O'Brien,Terry, Callow,Paul
AD_HB1740	CP3161 (CCN850) : Trace & Performance - Code	3	04JUN02	05JUN02	16	0	16	16	O'Brien,Terry, Callow,Paul
AD_HB1745	CP3161 (CCN850) : Trace & Performance - Unit Test	4	06JUN02	07JUN02	16	0	16	16	O'Brien,Terry, Callow,Paul
AD_HB1755	CLOSED : CP3161 (CCN850) : TPS Harvester changes - LLD	10	14JAN02	25JAN02	52	52	0	52	Callow,Paul
AD_HB1760	CLOSED : CP3161 (CCN850) : TPS Harvester changes - Code	7	23JAN02	31JAN02	44	44	0	44	Callow,Paul
AD_HB1765	CLOSED : CP3161 (CCN850) : TPS Harvester changes - Unit Test	18	31JAN02	25FEB02	72	66	0	66	Callow,Paul
AD_HB1780	CLOSED : CP3161 (CCN850) : SPLIT 2 : Combination Loader - LLD	8	02JAN02	11JAN02	13	13	0	13	Andrew,Les
AD_HB1785	CLOSED : CP3161 (CCN850) : Combination Loader - Code	10	02JAN02	15JAN02	59	59	0	59	Mohan,Anne
AD_HB1800	CLOSED : CP3161 (CCN850) : Update NBE Status utility - LLD	11	18MAR02	03APR02	32	30	0	30	Rayner,John
AD_HB1805	CLOSED : CP3161 (CCN850) : Update NBE Status utility - Code	10	20MAR02	04APR02	40	38	0	38	Rayner,John
AD_HB1810	CLOSED : CP3161 (CCN850) : Update NBE Status utility - Unit Test	5	04APR02	10APR02	32	32	0	32	Rayner,John
AD_HB1825	CLOSED : CP3161 (CCN850) : SPLIT 2 : Code - NBE Harvester	11	31DEC01	15JAN02	66	66	0	66	Callow,Paul
AD_HB1830	CLOSED : CP3161 (CCN850) : Combination Harvester - LLD	3	23JAN02	25JAN02	8	8	0	8	Mohan,Anne
AD_HB1835	CLOSED : CP3161 (CCN850) : Combination Harvester - Code	14	14JAN02	31JAN02	74	74	0	74	Mohan,Anne
AD_HB1840	CLOSED : CP3161 (CCN850) : Combination Harvester - Unit Test	48	22JAN02	28MAR02	72	33	0	33	Mohan,Anne
AD_HB1850	CLOSED : CP3161 (CCN850) : SPLIT 2 : OMDB Harvester - Code	8	02JAN02	11JAN02					
AD_HB1900	CLOSED : CP3161 (CCN850) : OMDB Harvester - Unit Test	20	07JAN02	01FEB02	88	88	0	88	Rayner,John
AD_HB1910	CLOSED : CP3161 (CCN850) : SLA Harvester - Code	20	23JAN02	19FEB02	67	67	0	67	Rayner,John
AD_HB1915	CLOSED : CP3161 (CCN850) : SLA Harvester - Update LLDs	31	25JAN02	08MAR02	24	13	0	13	Rayner,John
AD_HB1920	CLOSED : CP3161 (CCN850) : SLA Harvest - Unit Test	27	05FEB02	13MAR02	96	66	0	66	Rayner,John
AD_HB1940	CLOSED : CP3161 (CCN850) : LLD - Line Monitoring	3	20MAR02	22MAR02	17	8	0	8	Mohan,Anne
AD_HB1950	CLOSED : CP3161 (CCN850) : Code - Line monitoring Oct	20	21MAR02	19APR02	100	97	0	97	Mohan,Anne

Delivery Stream Manager: A. D'ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.prp
Vision Ref: S1D04_V2.1
Form File: g:\projects\plans\standard reports\Customer_3Plan.avf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	ETC Hrs	EAC Hrs	Resource List
AD_NB1863	CLOSED : CP3181 (CCN850) : Unit Test - Live Monitoring	21	28MAR02	29APR02	56	44	0	44	Mohan,Anne
AD_NB1965	CLOSED : CP3181 (CCN850) : LLD updates - Counter Call Scheduler	68	03JAN02	19APR02	91	110	0	110	Andrew,Les
AD_NB1970	CLOSED : CP3181 (CCN850) : Code - Counter Call Scheduler	28	04MAR02	12APR02	80	80	0	80	Andrew,Les
AD_NB1971	CP3181 (CCN850) : Counter Call Scheduler - HOver To System Test	0		14MAR02					
AD_NB1975	CLOSED : CP3181 (CCN850) : Unit Test - Counter Call Scheduler	9	08APR02	18APR02	40	28	0	28	Andrew,Les
AD_NB1980	CLOSED : CP3181 (CCN850) : LLD - Crypto ZMK support DLL	28	14FEB02	25MAR02	96	90	0	90	Catlow,Paul
AD_NB1990	CLOSED : CP3181 (CCN850) : Code - Crypto. ZMK support DLL	22	01MAR02	03APR02	104	105	0	105	Catlow,Paul
AD_NB1995	CLOSED : CP3181 (CCN850) : Unit Test - Crypto ZMK support DLL	13	03APR02	19APR02	48	67	0	67	Catlow,Paul
AD_NB2000	Crypto BI3 (10 PDR)	0		19APR02					
AD_NB2005	Accpts Unit Test Complete (PHASE 1) :	0		25MAR02					
AD_NB2016	SUMM : C2 Net Agent	178	02JAN02	11SEP02	10872	3586	7489	10975	
AD_NB2027	CLOSED : CP3181 (CCN850) : C2 Net Agent : LLD	36	07FEB02	28MAR02	37	15	0	15	Mohan,Anne
AD_NB2028	CLOSED : CP3181 (CCN850) : C2 Net Agent : Code	33	13FEB02	02APR02	130	92	0	92	Mohan,Anne
AD_NB2029	CLOSED : CP3181 (CCN850) : C2 Net Agent : Unit Test	19	04MAR02	25MAR02	80	96	0	96	Mohan,Anne
AD_EV0008	SUMM : CHARGABLE BI3 POST 31 DEC 01 (CCN850) : DWH	234	08JAN02	29AUG02	3865	2859	1010	3868	Newman,Steve, Barnes,Roger, Mr. Data Warehouse (MCR)
AD_NB2100	CLOSED : CP3181 (CCN850) : HLD : Baseline Update	47	22JAN02	27MAR02	149	118	0	118	Newman,Steve
AD_NB2180	CLOSED :CP3181 (CCN850) : SPLIT 2 : AIS RLMC : Baseline Update	49	18JAN02	27MAR02	34	30	0	30	Newman,Steve, Barnes,Roger
AD_NB2190	CLOSED :CP3181 (CCN850) : SPLIT 2 : AIS TPS : Baseline Update	51	23JAN02	05APR02	27	25	0	25	Newman,Steve
AD_NB2195	CP3181 (CCN850) : AIS TPS : Update Support Guide	75	15MAY02	29AUG02	172	15	137	152	Newman,Steve, Barnes,Roger, Mr. Data Warehouse (MCR)
AD_NB2230	CLOSED : CP3181 (CCN850) : Sizing Model : Migration Strategy	23	05MAR02	08APR02	40	9	0	9	Newman,Steve, Barnes,Roger
AD_NB2245	Data Warehouse : Design Complete	0		27MAR02					
AD_NB2255	CLOSED : CP3181 (CCN850) : DWH Management (MCR)	62	14JAN02	11APR02	480	480	0	480	Mr. Data Warehouse (MCR)
AD_NB2280	CLOSED : CP3181 (CCN850) : DWH Oracle Fouls (MCR)	19	14MAR02	11APR02	160	160	0	160	Mr. Data Warehouse (MCR)
AD_NB2265	CLOSED : CP3181 (CCN850) : DWH Reports (MCR)	66	14JAN02	03APR02	280	280	0	280	Mr. Data Warehouse (MCR)
AD_NB2275	CLOSED : CP3181 (CCN850) : Amend existing DWH (MCR)	30	14JAN02	22FEB02	237	237	0	237	Mr. Data Warehouse (MCR)
AD_NB2280	CLOSED : CP3181 (CCN850) : Add New NB Stream (MCR)	35	14JAN02	01MAR02	197	197	0	197	Mr. Data Warehouse (MCR)
AD_NB2285	CLOSED : CP3181 (CCN850) : DWH Documentation (MCR)	57	21JAN02	11APR02	112	112	0	112	Mr. Data Warehouse (MCR)
AD_NB2290	CLOSED : CP3181 (CCN850) : Test Systems (MCR)	36	14JAN02	01MAR02	386	386	0	386	Mr. Data Warehouse (MCR)
AD_NB2295	CLOSED : CP3181 (CCN850) : Reasmch. with DWH Baseline (MCR)	1	15MAR02	15MAR02	8	8	0	8	Mr. Data Warehouse (MCR)
AD_NB2300	CLOSED : CP3181 (CCN850) : Handover (MCR)	9	02APR02	12APR02	72	72	0	72	Mr. Data Warehouse (MCR)
AD_NB2999	CLOSED :CP3181 (CCN850) : SPLIT 2 : HLD : Draft 2	17	08JAN02	22JAN02	80	80	0	80	Newman,Steve, Barnes,Roger
AD_NB2305	CP3181 (CCN850) : DWH Support (MCR)	52	15APR02	27JUN02	384	358	26	384	Mr. Data Warehouse (MCR)
AD_NB2295	CP3181 (CCN850) : HLD : Review 2	10	11MAR02	22MAR02					
AD_NB1500	CLOSED : CP3208 (CCN850) : MIS Reports CCD : First Draft	4	16APR02	19APR02	16	16	0	16	Newman,Steve
AD_NB1505	CP3208 (CCN850) : MIS Reports CCD : Review	6	20MAY02	03JUN02					
AD_NB1510	CLOSED : CP3208 (CCN850) : MIS Reports CCD : Second Draft	13	14MAY02	21MAY02	8	8	0	8	Newman,Steve
AD_NB1515	CLOSED : CP3208 (CCN850) : Update MIS Reports CCD	13	17APR02	03MAY02	16	21	0	21	Newman,Steve
AD_NB1520	CP3208 (CCN850) : Update MIS Reports CCD : Review	6	20MAY02	03JUN02					

Delivery Stream Manager: A. D. ALVAREZ
Project Planner: R. BILLEC

Baseline: Weekly Change

Plan File: C:\EMPA\BI3_matched_02JUN02.mpp
Vision Ref: STD04_V2.1
Form File: g:\projects\plans\standard reports\Customer\3Plan.svf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	2001 DEC	2002 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC	2003 JAN FEB MAR APR	BAC hrs	ACT hrs	ETC hrs	EAC hrs	Resource List
AD_NB4575	CLOSED : CP3208 (CCN850) : Update to Data Model : Second Draft	3	04JUN02	04JUN02				0	0	0	0	Newman,Steve
AD_NB4540	CLOSED : CP3208 (CCN850) : DWH HLD Update - First Draft	31	17APR02	07JUN02				84	35	0	35	Newman,Steve
AD_NB4535	CP3208 (CCN850) : DWH HLD Update - Review	10	10JUN02	21JUN02								
AD_NB4549	CP3208 (CCN850) : DWH HLD Update - Second Draft	2	24JUN02	25JUN02				16	0	16	16	Newman,Steve
AD_NB4541	CP3208 (CCN850) : DWH Project Management (MCR)	42	30APR02	28JUN02				84	7	57	64	Mr. Data Warehouse (MCR)
AD_NB4542	CP3208 (CCN850) : DWH Technical Management (MCR)	37	08MAY02	28JUN02				160	51	109	160	Mr. Data Warehouse (MCR)
AD_NB4545	CP3208 (CCN850) : DWH Development (MCR)	43	15APR02	14JUN02				104	59	61	120	Mr. Data Warehouse (MCR)
AD_NB4550	CP3208 (CCN850) : DWH Development (MCR)	10	20MAY02	14JUN02				62	0	70	70	Mr. Data Warehouse (MCR)
AD_NB4555	CP3218 (CCN850) : DWH Development (MCR)	24	13MAY02	14JUN02				84	46	52	100	Mr. Data Warehouse (MCR)
AD_NB4560	CP3219 (CCN850) : DWH Development (MCR)	33	19APR02	14JUN02				44	30	30	60	Mr. Data Warehouse (MCR)
AD_NB4565	CP3221 (CCN850) : DWH Development (MCR)	31	01MAY02	14JUN02				280	38	242	280	Mr. Data Warehouse (MCR)
AD_NB4569	CP3208 (CCN850) : DWH Support (MCR)	31	01JUL02	12AUG02				56	0	56	56	Mr. Data Warehouse (MCR)
AD_NB4565	CP3221 (CCN850) : DWH (MCR) : Unit & Integration Test	16	17JUN02	28JUN02				154	0	154	154	Mr. Data Warehouse (MCR)
AD_NB4570	DWH - DELIVER TO PnI - CI's 3208/3205/3218/3219/3221	0		28JUN02								
AD_NB4575	PDA - Assume DWH : PnI ACTIVITY	3	01JUL02	03JUL02								
AD_NB4576	PTH - SPTS Activity - CP3208/3205/3218/3219/3221	2	04JUL02	05JUL02								
AD_EN2047	SUMM : CHARGEABLE BI3 POST 31 DEC 01 (CCN650) - TPS	94	30JAN02	28MAY02				517	432	48	480	Agrawal,Sudhanshu, Shah,Rahul, Stevens,Anona
AD_NB2320	CLOSED : CP3161 (CCN850) : Update TPS RHD	47	12FEB02	19APR02				40	40	0	40	Agrawal,Sudhanshu
AD_NB2330	CLOSED : CP3161 (CCN850) : LLD : TP201 - Produce TP files	6	05MAR02	12MAR02				19	19	0	19	Stevens,Anona
AD_NB2335	CLOSED : CP3161 (CCN850) : Code : Database Changes	8	25MAR02	05APR02				32	29	0	29	Stevens,Anona
AD_NB2340	CLOSED : CP3161 (CCN850) : Code : TP201 - Produce TP files	4	08MAR02	13MAR02				16	12	0	12	Stevens,Anona
AD_NB2345	CLOSED : CP3161 (CCN850) : Unit Test : TP201 - Produce TP files	4	02APR02	05APR02				8	10	0	10	Stevens,Anona
AD_NB2350	CP3161 (CCN850) : Code :TP Ten Report Tool	3	14MAR02	20MAR02				8	8	8	8	Agrawal,Sudhanshu
AD_NB2355	CP3161 (CCN850) : Unit Test : TP Ten Report Tool	9	22MAY02	28MAY02				16	0	16	16	Agrawal,Sudhanshu
AD_NB2370	CLOSED : CP3161 (CCN850) : LLD : TP231/225/232/238 CA Period in TPS subtie	20	15APR02	13MAY02				32	25	0	25	Stevens,Anona
AD_NB2375	CLOSED : CP3161 (CCN850) : Code :TP231/225/232/238 CA Period in TPS subtie	41	01MAR02	30APR02				32	32	0	32	Stevens,Anona
AD_NB2360	CLOSED : CP3161 (CCN850) : Unit Test : TP231/225/232/238 CA Period in TPS s	14	23APR02	13MAY02				32	32	0	32	Stevens,Anona
AD_NB2380	CLOSED : CP3161 (CCN850) : LLD : TP270 New DHW feed	35	05FEB02	25MAR02				34	30	9	30	Stevens,Anona
AD_NB2385	CLOSED : CP3161 (CCN850) : Code :TP270 New DHW feed	22	07FEB02	08MAR02				24	24	0	24	Stevens,Anona
AD_NB2400	CLOSED : CP3161 (CCN850) : Unit Test : TP270 New DHW feed	24	26FEB02	12APR02				16	6	0	6	Stevens,Anona
AD_NB2410	CLOSED : CP3161 (CCN850) : LLD : TP202/4/6 Existing DWH feed	10	09APR02	22APR02				24	24	0	24	Stevens,Anona
AD_NB2415	CLOSED : CP3161 (CCN850) : Code :TP202/4/6 Existing DWH feed	47	19FEB02	26APR02				32	32	0	32	Stevens,Anona
AD_NB2420	CLOSED : CP3161 (CCN850) : Unit Test : TP202/4/6 Existing DWH feed	34	22FEB02	12APR02				24	5	0	5	Stevens,Anona
AD_NB2430	CP3161 (CCN850) : LLD : TP207 Rel Data update	22	21MAR02	23APR02								
AD_NB2435	CP3161 (CCN850) : Code :TP207 Rel Data update	16	21MAR02	15APR02								
AD_NB2440	CP3161 (CCN850) : Unit Test : TP207 Rel Data update	18	21MAR02	17APR02								
AD_NB2450	CLOSED : CP3161 (CCN850) : LLD : TP265 B Host CA Reconciliation	7	07MAY02	17MAY02				24	22	0	22	Shah,Rahul
AD_NB2455	CLOSED : CP3161 (CCN850) : Code :TP265 B Host CA Reconciliation	6	09MAY02	17MAY02				24	23	0	23	Shah,Rahul

Delivery Stream Manager: A. D'ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.arp
Vision Ref: STEP4_V2.1
Font File: g:\projects\plans\standard reports\Customer1.3Plan.avf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	Resource List
AD_NB2450	CP3161 (CCN850) : Unit Test : TP285.8 Host CA Reconciliation	3	20MAY02	22MAY02	Shah,Rahul
AD_NB2470	CLOSED : CP3161 (CCN856) : LLD : TP209 EoD	72	30JAN02	28FEB02	Stevens,Anona
AD_NB2475	CLOSED : CP3161 (CCN856) : Code :TP209 EoD	2	22MAR02	25MAR02	Stevens,Anona
AD_NB2480	CLOSED : CP3161 (CCN856) : Unit Test : TP209 EoD	55	01FEB02	22APR02	Stevens,Anona
AD_NB2490	TPS : Unit Test Complete	0		28MAY02	
AD_NB2495	CLOSED : CP3161 (CCN856) : TPS : Build and Handover to System Test	22	13MAR02	15APR02	Stevens,Anona
AD_NB2500	TPS : Ready for System Test	0		15APR02	
AD_EV0008	SUMM : CHARGEABLE BI3 POST 31 DEC 01 [CCN852] - TEST	188	02JAN02	20SEP02	Heaton,Tony, Avril,Elnav, Chilcot,Bob, Griffin Mark, _1_Hothi Harji, Knott,Elaine, Rehal,Jaswir, Matthews
AD_NB2510	NWB E2E DIT Test (P1U)	0		17JUN02	
AD_NB2520	CLOSED : CP3161 (CCN850) : SPLIT 2 : NWB E2E Analysis / Strategy	63	21JAN02	19APR02	_1_Hothi Harji
AD_NB2530	CLOSED :CP3161 (CCN850) : SPLIT 2 : NWB E2E Test harness (inRTR)	67	02JAN02	08APR02	Matthews,Brian
AD_NB2534	CP3161 (CCN850) : NDE Drop to Agents	0		15FEB02	
AD_NB2535	CLOSED : CP3161 (CCN850) : Test harness Support for P1U / SP01	36	09APR02	28MAY02	
AD_NB2540	CLOSED :CP3161 (CCN850) : SPLIT 2 : Analysis & Functional	13	02JAN02	18JAN02	Matthews,Brian
AD_NB2545	CLOSED : CP3161 (CCN850) : Production of BI3P	39	14JAN02	07MAR02	Avril,Elnav, Chilcot,Bob, Morris,Denise
AD_NB2550	CLOSED : CP3161 (CCN850) : Scripting - LLTS	62	18FEB02	17MAY02	Chilcot,Bob, Griffin,Mark, _1_Hothi,Harji, Morris,Denise, Kadare,Augustine
AD_NB2551	CP3225 (CCN850) : Analysis / Scripting Counter Dialogues Impact V8 &9&10	30	01MAY02	31MAY02	Griffin,Mark, Morris,Denise
AD_NB2552	CP3161 (CCN850) : Scripting LLTS Rework	34	07MAY02	24JUN02	Chilcot,Bob, Griffin,Mark, _1_Hothi,Harji, Morris,Denise, Kadare,Augustine
AD_NB2553	CLOSED :CP3161 (CCN850) : ST04 Initial BI3 Rig Build	22	28FEB02	03APR02	_1_Hothi,Harji
AD_NB2559	CP3161 (CCN850) : DRS Maestro Drop 1 Loan IPDU	0		22MAR02	
AD_NB2560	CP3161 (CCN850) : ST05 - Initial BI3 Rig Build	7	08APR02	16APR02	
AD_NB2563	CLOSED : CP3161 (CCN850) : ST04 Integration Phase 1 (Counter to NBE/Ref Dat	21	11MAR02	16APR02	Heaton,Tony, Griffin,Mark, Morris,Denise
AD_NB2571	CP3161 (CCN850) : DRS Maestro Drop 2 loan IPDU	0		12APR02	
AD_NB2575	CLOSED : CP3161 (CCN850) : ST04 Integration Phase 1 (Take on of DRS - Phase	10	08APR02	19APR02	Heaton,Tony, Griffin,Mark, Matthews,Brian, Morris,Denise
AD_NB2576	CP3161 (CCN850) : ST04 Bay Rig reset	2	08MAY02	09MAY02	
AD_NB2580	CLOSED : CP3161 (CCN850) : Integration Phase 2	14	22APR02	10MAY02	Heaton,Tony, Griffin,Mark, Matthews,Brian, Morris,Denise
AD_NB2585	CP3161 (CCN850) : Rig reset	2	13MAY02	14MAY02	
AD_NB2590	CLOSED : CP3161 (CCN850) : Test Execution 1	11	07MAY02	21MAY02	Avril,Elnav, Griffin,Mark, Morris,Denise, Kadare,Augustine
AD_NB2595	CP3161 (CCN850) : Rig reset	2	22MAY02	23MAY02	
AD_NB2600	CP3161 (CCN850) : Test Execution 2	11	24MAY02	10JUN02	Griffin,Mark, Morris,Denise, Kadare,Augustine, Gupta,Santosh
AD_NB2605	CP3161 (CCN850) : Rig reset (Not Viable - DRS Option pursued)	3	11JUN02	13JUN02	
AD_NB2610	CP3161 (CCN850) : Test Execution 3 - For Pre_PVCS PreCL Clearance	3	11JUN02	13JUN02	Avril,Elnav, Griffin,Mark, Kadare,Augustine
AD_NB2611	Rig Reset ST04 : (PVCS code Take-on)	0		13JUN02	
AD_NB2615	CP3161 (CCN850) : Deliver into PVCS (Dev)	3	06JUN02	10JUN02	
AD_NB2620	CP3161 (CCN850) : PIT Activity	5	11JUN02	17JUN02	
AD_NB2625	CP3161 (CCN850) : ST04 SPTS Build Rig (BI3 PVCS Build)	4	18JUN02	21JUN02	
AD_NB2630	CP3161 (CCN850) : Mid Cycle	5	24JUN02	28JUN02	Griffin,Mark, Morris,Denise
AD_NB2635	CP3161 (CCN850) : Rig reset	3	01JUL02	03JUL02	

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FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	ETC Hrs	EAC Hrs	Resource List
AD_NB2648	CP3161 (CCN850) : Final Audit Pass	10	04JUL02	17JUL02	288	0	288	288	Aviri,Emrav, Griffin,Mark, _1_Hoth,Hanji
AD_NB2641	CP3161 (CCN850) : Test Report	17	18JUL02	09AUG02	39	0	39	39	Griffin,Mark, _1_Hoth,Hanji
AD_NB2645	Drop to PTU	0		28JUN02					
AD_NB2636	CP3161 (CCN850) : Rig reset	3	18JUL02	22JUL02					
AD_NB2635	CP3161 (CCN850) : Regression	10	23JUL02	05AUG02	288	0	288	288	Aviri,Emrav, Griffin,Mark, _1_Hoth,Hanji, Gupta,Santosh
AD_NB2640	APDU ALL SYSTEM TESTING COMPLETE	0		26SEP02					
AD_NB2546	CLOSED : CP3161 (CCN836) : HLTP Re Work after Review	24	25FEB02	28MAR02	180	204	0	204	Griffin,Mark, Maxim,Denise
AD_NB3678	DWH : Development Complete (DWH - MER)	0		12APR02					
AD_NB2615	DWH : Product rel for PTU	0		28JUN02					
AD_NB2636	CLOSED : CP3161 (CCN850) : DWH : Analyse & ITP	29	10JAN02	18FEB02	240	240	0	240	Knott,Elaine, Rehal,Jaswir
AD_NB3645	CLOSED : CP3161 (CCN850) : DWH : LLTRs	44	04FEB02	08APR02	400	549	0	549	Knott,Elaine, Rehal,Jaswir
AD_NB2640	CP3161 (CCN850) : DWH : Install Rig Build (MIS02)	10	26MAR02	12APR02					
AD_NB2641	CP3161 (CCN850) : DWH Maestro Drop 1 from PDU	0		08APR02					
AD_NB2646	CLOSED : CP3161 (CCN850) : DWH: BIx	14	19APR02	09MAY02	92	120	0	120	Knott,Elaine, Rehal,Jaswir
AD_NB2760	CP3161 (CCN850) : DWH : Rig Reset for Cycle 1 (MIS02) / Ghost MIS 01	4	14MAY02	17MAY02					
AD_NB2761	CP3161 (CCN850) : DWH Maestro Drop 2 from PDU	0		19APR02					
AD_NB2765	CP3161 (CCN850) : DWH : System Test Execution Cycle 1	15	13MAY02	03JUN02	184	244	32	265	Knott,Elaine, Rehal,Jaswir, LEFT-Johnson,Jennifer
AD_NB2710	CP3161 (CCN850) : DWH : Rig Reset for Cycle 2 (MIS01) / Ghost MIS01	4	04JUN02	07JUN02					
AD_NB2715	CP3161 (CCN850) : DWH : System Test Execution Cycle 2	15	10JUN02	28JUN02	184	0	260	260	Knott,Elaine, Rehal,Jaswir, Scott,Allannah
AD_NB2720	CP3161 (CCN850) : DWH : Rig Reset for Cycle 3 (MIS02) / Ghost MIS01	4	01JUL02	04JUL02					
AD_NB2725	CP3161 (CCN850) : DWH : System Test Execution Cycle 3 (Audit Pass)U	15	05JUL02	18JUL02	184	0	260	260	Knott,Elaine, Rehal,Jaswir, LEFT-Johnson,Jennifer, Scott,Allannah
AD_NB2735	CP3161 (CCN850) : DWH : Test Report	12	19JUL02	12AUG02	34	0	34	34	Knott,Elaine
AD_NB2730	CP3161 (CCN850) : DWH : Rig Update for Regression (MIS02) / (Ghost MIS01)	9	27AUG02	06SEP02					
AD_NB2740	CP3161 (CCN850) : DWH : Cycle 5 - Regression Testing	10	09SEP02	20SEP02	192	0	192	192	Rehal,Jaswir, LEFT-Johnson,Jennifer
AD_NB4576	SPTS - CP3209/3208/3218/3219/3221	2	04JUN02	05JUN02					
AD_NB4583	CP3208 (CCN850) : DWH : Analysis/Scripting	20	03JUN02	28JUN02	80	0	80	80	Knott,Elaine
AD_NB4584	CP3209 (CCN850) : DWH : Analysis/Scripting	20	03JUN02	28JUN02	24	0	24	24	Knott,Elaine
AD_NB4582	CP3219 (CCN850) : DWH : Analysis/Scripting	20	03JUN02	28JUN02	56	0	56	56	Knott,Elaine
AD_NB4585	CP3218 (CCN850) : DWH : Analysis/Scripting	20	03JUN02	28JUN02	56	0	56	56	Knott,Elaine
AD_NB4580	CP3221 (CCN850) : DWH : Analysis/Scripting	20	03JUN02	28JUN02	100	0	100	100	Knott,Elaine
AD_NB4605	CP3208 (CCN850) : Rig Build For Cycle 4 (DWH) Code Intercept : MIS02 (Ghost MIS01)	3	19JUL02	23JUL02					
AD_NB7610	CP3208 (CCN850) : DWH : System Test Execution Cycle 4 (Additional)	10	24JUL02	06AUG02	160	0	160	160	Rehal,Jaswir, Scott,Allannah
AD_NB4618	CP3208 (CCN850) : Rig Reset For Cycle 5 (Additional) : MIS02 (Ghost MIS01)	3	07AUG02	09AUG02					
AD_NB4628	CP3208 (CCN850) : DWH : System Test Execution Cycle 5 (Additional)	10	12AUG02	23AUG02	160	0	160	160	Rehal,Jaswir, Scott,Allannah
AD_NB4625	CP3208/3209/3218/3219/3221 : (CCN850) : DWH : Drop to PTU	0		23AUG02					
AD_NB2741	CLOSED : CP3216 (CCN850) : DRS : Recon Reports Impact (Pt 1A) / LLTS Re Work)	32	16APR02	24MAY02	120	59	0	93	Chilcot,Bob
AD_NB2745	CLOSED : CP3161 (CCN850) : DRS : Test Cycle 1	16	10MAY02	27MAY02	72	93	0	93	Chilcot,Bob
AD_NB2750	CP3161 (CCN850) : DRS : Rig Reset for Cycle 2 (S106)	2	23MAY02	24MAY02					

Delivery Stream Manager: A. O' ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.xrp
Vision Ref: STD04_V2.1
Form File: g:\projects\pm\standard reports\Customer\L3Plan.xvf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	ETC Hrs	EAC Hrs	Resource List
AD_NB2755	CP3161 (CCN850) : DRS : Test Cycle 2	10	28MAY02	07JUN02	72	33	39	72	Chilcot,Bob
AD_NB2760	CP3161 (CCN850) : DRS : Rg Reset for Cycle 3 (ST05)	3	10JUN02	12JUN02					
AD_NB2764	CP3161 (CCN850) : DRS : Test Cycle 3	7	11JUN02	21JUN02	64	0	64	64	Chilcot,Bob
AD_NB2765	CP3161 (CCN850) : DRS : Rg Reset For Cycle 4 (ST06)	3	01JUL02	03JUL02					
AD_NB2766	CP3216 (CCN850) : DRS : Rg Update for Cycle 4 (ST06)	1	04JUL02	04JUL02					
AD_NB2767	CP3216 (CCN850) : DRS : Test Cycle 4	10	05JUL02	18JUL02	56	0	56	56	Chilcot,Bob
AD_NB2768	CP3216 (CCN850) : DRS : Dev. PVCS Delivery	3	19JUL02	23JUL02					
AD_NB2769	CP3216 (CCN850) : DRS : PIT Integrator (PDIL)	4	24JUL02	29JUL02					
AD_NB2770	CP3216 (CCN850) : DRS : BPFS Build	4	30JUL02	02AUG02					
AD_NB2771	CP3216 (CCN850) : DRS : Bld	5	05AUG02	09AUG02	40	0	40	40	Chilcot,Bob
AD_NB2772	CP3216 (CCN850) : DRS : Deliv to PTD - Intercept Integration Cycle 3	0		12AUG02					
AD_NB2773	CP3216 (CCN850) : DRS : Rg reset	3	13AUG02	15AUG02					
AD_NB2774	CP3216 (CCN850) : DRS : Audit Cycle	10	16AUG02	30AUG02	56	0	56	56	Chilcot,Bob
AD_NB2775	CLOSED : CP3161 (CCN850) : RDS : Analysis & ITP	45	04FEB02	09APR02	160	152	0	152	Heaton,Tony
AD_NB2783	CP3161 (CCN850) : RDS : LLTSa	61	04MAR02	23MAY02	147	147	0	147	Heaton,Tony
AD_NB2781	CP3161 (CCN850) : RDS : LLTSs Re-work	20			93	0	93	93	Heaton,Tony
AD_NB2785	CP3161 (CCN850) : RDS : Initial Rg Build (ST06)	7	07MAY02	15MAY02					
AD_NB2780	CP3161 (CCN850) : RDS : SIT	9	28MAY02	31MAY02	80	40	40	80	Heaton,Tony
AD_NB2793	CP3161 (CCN850) : RDS : Rg Reset for Cycle 1 (ST06)	3	03JUN02	05JUN02					
AD_NB2800	CP3161 (CCN850) : RDS : System Test Execution Cycle 1	24	13MAY02	14JUN02	88	10	78	88	Heaton,Tony
AD_NB2805	RDS : POOL REF DATA DEPENDANCY	0		14JUN02					
AD_NB2810	CP3161 (CCN850) : RDS : Rg Reset for RDS DIT (Take on PVCS Code) (ST0	7	18JUN02	26JUN02	24	0	24	24	_1_Hoh,Hargi
AD_NB2815	CP3161 (CCN850) : RDS DIT Test	10	27JUN02	10JUL02	80	0	80	80	Heaton,Tony
AD_NB2820	CP3161 (CCN850) : RDS : Rg Reset for Cycle 2 (ST08)	3	11JUL02	15JUL02					
AD_NB2826	CP3161 (CCN850) : RDS : System Test Execution Cycle 2	19	16JUL02	29JUL02	88	0	88	88	Heaton,Tony
AD_NB2825	CP3161 (CCN850) : RDS : Test Report	17	30JUL02	21AUG02	39	0	39	39	Heaton,Tony, _1_Hoh,Hargi
AD_NB2830	CP3161 (CCN850) : RDS : Rg Update for Regression	3	30JUL02	01AUG02					
AD_NB2835	CP3161 (CCN850) : RDS : Cycle 4 - Regression Testing (ST08)	10	02AUG02	15AUG02	88	0	88	88	Heaton,Tony
AD_NB2845	_PSIAPS : F4 for PTD	0		10JUN02					
AD_NB2850	CLOSED : CP3161 (CCN850) : TPS : Analysis & ILTP	34	14JAN02	28FEB02	136	136	0	136	Jenkinson,Craig
AD_NB2855	CLOSED : CP3161 (CCN850) : TPS : LLTSs	43	11FEB02	12APR02	160	196	0	196	Jenkinson,Craig
AD_NB2860	CLOSED : CP3161 (CCN850) : TPS : Initial Rg Build (ST03)	1	17APR02	01MAY02	80	1	0	1	_1_Hoh,Hargi
AD_NB2863	CLOSED : CP3161 (CCN850) : TPS : Bld	8	22MAY02	23MAY02	40	38	0	38	Jenkinson,Craig
AD_NB2870	CP3161 (CCN850) : TPS : Rg Reset for Cycle 1 (ST03)	3	24MAY02	24MAY02					
AD_NB2875	CLOSED : CP3161 (CCN850) : TPS : System Test Execution Cycle 1	4	28MAY02	30MAY02	88	48	0	48	Jenkinson,Craig, Olasebikan,Yetty
AD_NB2880	CP3161 (CCN850) : TPS : Rg Reset for Cycle 2 (ST03)	2	31MAY02	31MAY02					
AD_NB2881	CP3161 (CCN850) : TPS : System Test Execution Cycle 2	5	05JUN02	10JUN02	88	0	88	88	Jenkinson,Craig, Olasebikan,Yetty
AD_NB2885	CP3161 (CCN850) : TPS : Rg Reset for Cycle 3 (ST03)	2	11JUN02	12JUN02					

Delivery Stream Manager: A. D'ALVAREZ
Project Planner: R. BIELEC

Baseline: Weekly Change

Plan File: CATEMPaBI3_matched_02JUN02.sp
Vision Ref: ST03+_V2.1
Form File: g:\projects\plans\standard reports\CustomerL1Plan.svf

FUJ00119623

FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC Hrs	ACT Hrs	RTC Hrs	FAC Hrs	Resource List
AD_NB2666	CP3161 (CCN850) : TPS : System Test Execution Cycle 1	4	13JUN02	18JUN02	88	0	88	88	Jamieson,Craig; Gwalabian,Yetty
AD_NB2696	CP3161 (CCN850) : TPS : Test Report	12	19JUN02	11JUL02	39	0	39	39	_1_Hoda Haji; Jamieson,Craig
AD_NB2940	CP3161 (CCN850) : TPS : Rip Update for Regression (STB)	3	19JUN02	21JUN02					
AD_NB2965	CP3161 (CCN850) : TPS : Cycle 4 - Regression Testing	10	24JUN02	05JUL02	88	0	88	88	Jamieson,Craig
AD_NB2919	CP3161 (CCN850) : NRE DIT	43	17JUL02	16SEP02	640	0	640	640	_1_Hoda Haji; Matthews,Brian
AD_NB0001	SMMM : CHARGEABLE BI3 POST 31 DEC 01 (CCN850) : SUPP	297	07JAN02	07MAR03	16832	7917	9885	17802	Donato,Roger, MacDonald,Duncan, Agrawal,Sudhanshu, McConnell,Martin, Kay,Steve, _
AD_NB2922	CLOSED : CP3161 (CCN850) : NWB : Design Support of Development	140	07JAN02	16MAY02	1877	1935	0	1935	Donato,Roger, MacDonald,Duncan, Agrawal,Sudhanshu, Shah,Rahul, Chandler,Peter, B
AD_NB2941	CLOSED : CP3161 (CCN850) : OPS NWB Documentation	101	07JAN02	06JUN02	450	656	0	656	Morris,Irish, _Wildehead,Martin, Pharoah,Helen, Cosby,Margaret
AD_NB2922	CP3161 (CCN850) : DESIGN SUPPORT AGENTS CR2	60	11FEB02	08JUN02	284	32	27	59	Andrew,Les
AD_NB2925	CP3161 (CCN850) : NWB : Design Support of Test	100	05FEB02	28JUN02	1080	176	904	1080	MacDonald,Duncan, Chandler,Peter, Bailey,Craig, Dixon,Rex, Newman,Steve, Barnes,Roger, Northcott
AD_NB2926	CP3161 (CCN850) : Design Support E-2-E: PinICL Clearance	82	14OCT02	07FEB03	48	0	48	48	_1_Johns,David
AD_NB2936	CP3161 (CCN850) : Design Support E-2-E: PinICL Clearance	63	01MAR02	29MAY02	9	8	107	115	MacDonald,Duncan, Chandler,Peter, Bailey,Chris, Dixon,Rex, Barnes,Roger, Northcott,Ken, Bradwell,
AD_NB2937	CP3161 (CCN850) : Design Support E-2-E New PinICL's/Part	85	02SEP02	31DEC02	264	0	264	264	MacDonald,Duncan, Chandler,Peter, Bailey,Chris, Dixon,Rex, Barnes,Roger, Northcott,Ken, Bradwell,
AD_NB2935	CLOSED : CP3161 (CCN850) : NWB : Development Support of Integration - Coun	58	04MAR02	17MAY02	950	1195	0	1195	McConnell,Martin, Kay,Steve, _Wright,Walter, Barnes,Gerald, Chiarini,Francesco, Toft,Keith, Orton,
AD_NB2936	CLOSED : CP3229 (CCN850) : NWB : Development Support of Integration - Cou	5	07MAY02	13MAY02	50	32	0	32	Chiarini,Francesco, Goodwin,Adrian
AD_NB2945	CLOSED : CP3161 (CCN850) : NWB : Development Support of Integration - DRS	31	08APR02	17MAY02	732	567	0	567	Agrawal,Sudhanshu, Smith,Rahul, Stevens,Angela,
AD_NB2946	CP3161 (CCN850) : NWB : Development Support of Integration - Ref Data	76	11MAR02	28JUN02	740	581	330	832	Thirst,Martyn, York,Roger, Harrison,David, Smith,Jenny, Coolya,Rajib, Haslam,Janet, Greenwo
AD_NB2949	CP3161 (CCN850) : NWB : Development Support of Integration - Agents	53	15APR02	28JUN02	600	797	103	899	_Ambrose,Peter, Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_NB2955	CP3161 (CCN850) : NWB : Development Support of APDU Test - Counters	104	04MAR02	31JUL02	1192	1086	429	1515	McConnell,Martin, Kay,Steve, _Wright,Walter, Barnes,Gerald, Chiarini,Francesco, Toft,Keith, Orton,
AD_NB2960	CP3161 (CCN850) : NWB : Development Support of APDU Test - DRS	64	03APR02	31JUL02	1234	342	892	1234	Agrawal,Sudhanshu, Shah,Rahul, Stevens,Angela, Harrison,David, Smith,Jenny, Dattani,Ilgna, Coolya,
AD_NB2965	CP3161 (CCN850) : NWB : Development Support of APDU Test - Ref data	129	28JAN02	31JUL02	1328	345	982	1327	York,Roger, Harrison,David, Smith,Jenny, Coolya,Rajib, Haslam,Janet, Greenwood,Kath
AD_NB2970	CP3161 (CCN850) : NWB : Development Support of APDU Test - Agents	99	11MAR02	31JUL02	925	99	826	925	Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_NB2975	CLOSED : CP3161 (CCN850) : NWB : Analysis of PTU - Counters	42	19FEB02	19APR02	86	86	0	86	Chiarini,Francesco, Goodwin,Adrian, O'Neil,Richard
AD_NB2976	CP3161 (CCN850) : NWB : Development Support of PTU Test - Counters	75	28JUN02	11OCT02	472	0	472	472	_Scandfield,Mark
AD_NB2980	CP3161 (CCN850) : NWB : Development Support of PTU Test - DRS	82	17JUL02	11OCT02	690	9	690	690	Agrawal,Sudhanshu, Shah,Rahul, Dattani,Ilgna, Ovington,Matt, Attia,Bandna, D'Souza,Cheryl
AD_NB2985	CLOSED : CP3161 (CCN850) : NWB : Analysis of PTU Test - Ref data	60	24JAN02	18APR02	14	14	0	14	Smith,Jenny
AD_NB2990	CP3161 (CCN850) : NWB : Development Support of PTU Test - Ref data	75	28JUN02	11OCT02	682	0	682	682	_Lawson,Nick
AD_NB2990	CP3161 (CCN850) : NWB : Development Support of PTU Test - Agents	63	18JUL02	11OCT02	416	0	416	416	Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_NB2994	CP3161 (CCN850) : Support E-2-E: PinICL Clearance (Counters)	62	14OCT02	07FEB03	32	0	32	32	_Scandfield,Mark
AD_NB2995	CLOSED : CP3161 (CCN850) : Early Counters Support work	38	25FEB02	19APR02	40	40	0	40	McConnell,Martin, Kay,Steve, _Wright,Walter, Chiarini,Francesco, Orton,Philip, Go
AD_NB2996	CP3161 (CCN850) : Support E-2-E: New PinICLs (Counters)	169	02MAY02	31DEC02	88	7	89	96	Donato,Roger, McConnell,Martin, Kay,Steve, _Wright,Walter, Chiarini,Francesco, Orton,Philip, Go
AD_NB3000	CP3161 (CCN850) : Support E-2-E: PinICL Clearance (DRS)	62	14OCT02	07FEB03	72	0	64	64	Agrawal,Sudhanshu, Shah,Rahul, Dattani,Ilgna, Ovington,Matt, Attia,Bandna, D'Souza,Cheryl
AD_NB3001	CP3161 (CCN850) : Support E-2-E: New PinICLs (DRS)	65	02SEP02	31DEC02	88	0	88	88	Donato,Roger, Agrawal,Sudhanshu, Shah,Rahul, Dattani,Ilgna, Ovington,Matt, Attia,Bandna, D'Souz
AD_NB3005	CP3161 (CCN850) : Support E-2-E: PinICL Clearance (Ref Data)	62	14OCT02	07FEB03	72	0	72	72	Harrison,David, Smith,Jenny, Coolya,Rajib, Haslam,Janet
AD_NB3006	CP3161 (CCN850) : Support E-2-E: New PinICLs (Ref Data)	107	02SEP02	31JAN03	88	0	88	88	Harrison,David, Smith,Jenny, Coolya,Rajib, Haslam,Janet
AD_NB3010	CP3161 (CCN850) : Support E-2-E: PinICL Clearance (Agents)	62	14OCT02	07FEB03	36	0	36	36	Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_NB3011	CP3161 (CCN850) : Support E-2-E: New PinICLs (Agents)	85	02SEP02	31DEC02	44	0	44	44	Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_NB3015	CP3161 (CCN850) : NWB : Development Support of Pilot - Counters	27	02JAN03	07FEB03	60	0	60	60	Donato,Roger, McConnell,Martin, Kay,Steve, _Wright,Walter, Barnes,Gerald, Chiarini,Francesco,

Delivery Stream Manager: A. P. ALVAREZ
Project Planner: R. BELEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.apj
Vision Ref: STD04_V2.1
Form File: g:\projects\plans\standard reports\Customers_3Plan.avt

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FUJITSU SERVICES

APDU BI3 - Level 3 Plan V3.0

Week Ending: 02JUN02

Print Date: 26JUN02

Act ID	Activity Description	Dur	Base Start	Base Comp	BAC hrs	ACT hrs	ETC hrs	EAC hrs	Resource List
AD_HB3020	CP3161 (CCN850) : NWB : Development Support of Pilot - DRS	27	02JAN03	07FEB03	80	0	80	80	Agrawal,Sudhanshu, Shah,Rahul, Dattani,Jigna, Covington,Matt, Atalla,Bandna, D'Souza,Cheryl
AD_HB3025	CP3161 (CCN850) : NWB : Development Support of Pilot - Ref data	27	02JAN03	07FEB03	80	0	80	80	Harrison,David, Smith,Jenny, Coutya,Najib, Hashim,Jamal
AD_HB3030	CP3161 (CCN850) : NWB : Development Support of Pilot - Agents	27	02JAN03	07FEB03	40	0	40	40	Rayner,John, Andrew,Les, Mohan,Anne, O'Brien,Terry, Callow,Paul
AD_HB3035	CP3161 (CCN850) : NWB : Test Support of PTU	75	28JUN02	11OCT02	1180	0	1180	1180	Chilcot,Bob, Griffin,Mark
AD_HB3040	CP3161 (CCN850) : Support E-2-E: PathCL Cutover (System Test)	82	14OCT02	07FEB03	164	0	164	164	Chilcot,Bob, Griffin,Mark
AD_HB3041	CP3161 (CCN850) : Support E-2-E: New PathCLs (System Test)	132	02SEP02	07MAR03	256	0	256	256	Chilcot,Bob, Griffin,Mark
AD_HB3045	CP3161 (CCN850) : CWB : Test Support of Pilot	26	03JAN03	07FEB03	320	0	320	320	Chilcot,Bob, Griffin,Mark
AD_EV0010	SUMM : CHANGABLE BI3 POST 31 DEC 01 (CCN850) - MAN	238	02JAN02	06DEC02	9992	4225	5708	9937	_Wright,Walter, _1_Johns,David, Bailey,Chris, _1_Taylor,Mark, _Scardefield,Mark, _Harding,Joan, _
AD_HB3060	CP3161 (CCN850) : NWB : APDU - Management - DES/DEV/TEST	236	02JAN02	06DEC02	3336	1309	2027	3336	_1_Johns,David, _1_Taylor,Mark, _1_Hothi,Harji _Wright,Walter, _Scardefield,Mark, _Harding,John,
AD_HB3065	CP3161 (CCN850) : NWB : APDU - TEAM LEADING	236	02JAN02	06DEC02	6096	2671	3219	6090	_Ashcroft,Peter, _Lawrence,Nick, _Whitehead,Martin, Bailey,Chris, Lewin,Steve, Morris,Irish,
AD_HB5005	1.7. DDRs - Documentation	44	16MAY02	17JUL02	560	50	461	511	_Whitehead,Martin, Morris,Denise, Pharoah,Helen,
AD_HB5003	CP3161 (CCN850) : Generalised API - Draft	15	20MAY02	10JUN02	80	0	80	80	Bailey,Chris, Lewin,Steve
AD_HB5010	CP3161 (CCN850) : Generalised API - Review	10	11JUN02	24JUN02					
AD_HB5015	CP3161 (CCN850) : Generalised API - Final	5	25JUN02	01JUL02	40	0	40	40	Bailey,Chris, Lewin,Steve
AD_HB5020	CP3161 (CCN850) : Ops menu Hierarchy - Draft	12	16MAY02	22MAY02	60	12	48	60	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5025	CP3161 (CCN850) : Ops menu Hierarchy - Review	10	23MAY02	05JUN02					
AD_HB5030	CP3161 (CCN850) : Ops menu Hierarchy - Final	9	07JUN02	19JUN02	20	0	20	20	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5035	CLOSED : CP3161 (CCN850) : Ops Reports & Receipts - Draft	9	20MAY02	03JUN02	60	7	0	7	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5040	CP3161 (CCN850) : Ops Reports & Receipts - Review	10	04JUN02	17JUN02					
AD_HB5045	CP3161 (CCN850) : Ops Reports & Receipts - Final	9	18JUN02	28JUN02	20	0	20	20	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5050	CP3161 (CCN850) : Ops Style Guide - Draft	13	22MAY02	19JUN02	80	0	80	80	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5055	CP3161 (CCN850) : Ops Style Guide - Review	10	20JUN02	03JUL02					
AD_HB5060	CP3161 (CCN850) : Ops Style Guide - Final	10	04JUL02	17JUL02	40	0	40	40	Morris,Irish, _Whitehead,Martin, Pharoah,Helen, Cudlip,Margaret
AD_HB5065	CP3161 (CCN850) : NWB PPD (NB/PRO/001) - Draft	17	20MAY02	14JUN02	120	36	93	124	Morris,Irish, _Whitehead,Martin, Morris,Denise, Pharoah,Helen, Cudlip,Margaret
AD_HB5070	CP3161 (CCN850) : NWB PPD (NB/PRO/001) - Review	10	17JUN02	28JUN02					
AD_HB5075	CP3161 (CCN850) : NWB PPD (NB/PRO/001) - Final	10	01JUL02	12JUL02	40	0	40	40	Morris,Irish, _Whitehead,Martin, Morris,Denise, Pharoah,Helen, Cudlip,Margaret

Delivery Stream Manager: A D'ALVAREZ
Project Planner: R WILLEC

Baseline: Weekly Change

Plan File: C:\TEMP\BI3_matched_02JUN02.xp
Vision Ref: ST004_V2.1
Team File: g:\projects\plans\standard reports\Customer 3Plan.av1

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SCHEDULE N05 - NBS SERVICE MANAGEMENT

Version reference	Reason for change	Frozen/issue date
4.0	New Schedule to introduce Network Banking Service	19/06/02

1. OBJECTIVES OF SERVICE MANAGEMENT

1.1 The objectives of the management of the NBS are to monitor, manage and maintain the delivery of the NBS, and to report on the same to the Service Review Board.

1.2 The sections below detail (without limitation) the specific objectives of key service management activities that will be undertaken. The significance of the detailed tasks may vary over the life of this Codified Agreement.

1.3 All references in the form:

(a) "NBRXXX" or "PPRXXX" (or similar); or

(b) "SRS obligation",

which follow at the end of provisions of this Schedule N05 are references to POCL's requirements, or the sections of the Contractor's SRS, respectively, which correspond to those provisions. All such references are for each party's internal reference and information use only and none of those references, or the requirements or sections to which they relate, shall be relevant either in construing or interpreting any of the provisions of this Schedule N05 or in determining the extent of Contractor's or POCL's obligations.

2. ORGANISATION

2.1 The Contractor and POCL shall utilise and each may at its own discretion augment the organisational structure in place to manage the delivery of the Existing Services to also manage the delivery of the NBS described in Schedule N01. [NBR048] The key roles within this organisation are identified in sections 3 and 4 below.

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2.2 Any changes to the organisation defined in this Schedule shall be made in accordance with Clause 101.2.

2.3 The specific individuals to fulfil the roles identified in the organisation shall be communicated in writing between the parties to this Codified Agreement.

3. CONTRACTOR ROLES KEY TO THE DELIVERY OF THE SERVICE

3.1 Introduction

The roles and responsibilities within the Contractor's organisation specific to the delivery of the NBS are detailed below. One person may perform more than one of these roles.

3.2 Operational Service Manager

The Operational Service Manager shall be responsible for building a strategic relationship at the appropriate level in POCL with an emphasis on the operational requirements of the NBS. The Operational Service Manager shall attend the meetings of the Service Review Board to be held at intervals set out in paragraph 6.2 of this Schedule N05.

3.3 Service Manager

The Service Manager shall be responsible for the overall delivery of the NBS to POCL. The Service Manager shall specifically be responsible for:

a) the maintenance of Service Levels in accordance with Schedule N08;

b) the provision of monthly Service Management Reports as described in paragraph 6.1 below;

c) briefing the Contractor's attendees at the meetings of the Service Review Board;

d) briefing the Operational Service Manager in advance of the Service Review Board meetings;

e) facilitating joint quality initiatives with POCL;

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f) the day to day delivery of the NBS; and

g) the day to day interaction with the POCL Liaison Manager.

3.4 The Horizon System Help Desk Manager

The Horizon System Helpdesk manager for the NBS shall be responsible for the management of:

a) provision of advice and guidance in relation to the NBS;

b) NBS related Incidents; and

c) NBS system enquiries,

in accordance with procedures agreed by the parties at an operational level.

3.5 Contractor's Information Security Manager

The Contractor's Information Security Manager shall be responsible (but may nominate a representative to act on his behalf) for:

(a) co-operating with the Post Office Information Security Manager in the development of POCL's network banking automation security policy as specified in Schedule N01 paragraph 10.3.1;

(b) establishing the Contractor's revised security policy as specified in Schedule N01 paragraph 10.3.2;

(c) from time to time communicating to the Post Office Information Security Manager the identity of the persons authorised to receive sensitive security-related material (including cryptographic key components) on behalf of the Contractor;

(d) receiving from the Post Office Information Security Manager the identity of the persons authorised to receive such security-related material on behalf of POCL;

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(e) liasing with the Post Office Information Security Manager in the manner described in the CCD entitled *"Security Incident Management"* and Schedule N01 paragraph 10.4.2; and

(f) liasing with the Post Office Information Security Manager and security representatives of other parties involved in the End to End Banking on such security-related matters as may be agreed from time to time.

4. POCL ROLES KEY TO THE DELIVERY OF THE SERVICE

4.1 Introduction

The roles and responsibilities of POCL specific to service management are detailed below. One person may perform more than one of these roles.

4.2 Business Manager

The POCL Business Manager is the individual responsible for the business which the NBS supports. The Business Manager shall attend the meetings of the Service Review Board to be held at intervals set out in paragraph 6.2 of this Schedule N05.

4.3 POCL Liaison Manager

The POCL Liaison Manager shall be responsible for the day-to-day liaison with the Contractor. The POCL Liaison Manager shall provide the first point of contact for the Contractor and shall specifically be responsible for:

a) monitoring delivered Service Levels;

b) receipt and analysis of the Contractor's monthly service Reports;

c) briefing the POCL Business Manager in advance of Service Review Board meetings;

d) briefing the POCL attendees at the meetings of the Service Review Board;

e) facilitating joint quality initiatives with the Contractor;

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f) representing (including at Service Review Board meetings) and providing an interface with POCL's third party suppliers (including, without limitation, the suppliers involved in providing End to End Banking),and Banks.

4.4 POCL NBS Reconciliation Incident Manager

The POCL NBS Reconciliation Incident Manager shall be responsible for ensuring that organisational and reconciliation procedures are set-up and maintained within POCL to support:

(a) the procedures set out in the CCD entitled *"NBS Reconciliation and Incident Management" (NB/PRO/002)*; and

(b) the management interfaces and interaction between members of POCL's staff and the Contractor's management support unit required in connection with those procedures.

4.5 POCL Support Desk Manager

The POCL Support Desk Manager shall be responsible for the management of enquiries related to the NBS which are not required to be managed by the Horizon System Help Desk, as agreed by the parties at an operational level in accordance with paragraph 5.4.3 of Schedule N01 and documented in the Working Document entitled *"ICL Pathway/POCL Interface Agreement for the POCL Support Desk and HSH Interface" (CS/IFS/007)*.

4.6 Post Office Information Security Manager

The Post Office Information Security Manager shall be responsible (but may nominate a representative to act on his behalf) for:

(a) establishing POCL's network banking automation security policy as specified in Schedule N01 paragraph 10.3.1;

(b) agreeing the Contractor's revised security policy as specified in Schedule N01 paragraph 10.3.2;

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(c) from time to time communicating to the Contractor's Information Security Manager the identity of the persons authorised to receive sensitive security-related material (including cryptographic key components) on behalf of POCL;

(d) receiving from the Contractor's Information Security Manager the identity of the persons authorised to receive such security-related material on behalf of the Contractor;

(e) liasing with the Contractor's Information Security Manager in the manner described in the CCD entitled *"Security Incident Management"* and Schedule N01 paragraph 10.4.2; and

(f) liasing with the Contractor's Information Security Manager and security representatives of other parties involved in the End to End Banking on such security-related matters as shall be agreed from time to time.

5. ESCALATION PROCEDURES

The Contractor and POCL shall operate escalation procedures for issues affecting the NBS in accordance with Schedule A04 of this Codified Agreement. [NBR514]

6. MONITORING

6.1 Service Reporting

6.1.1 Service Level Agreements

The Contractor shall provide POCL with a monthly Service Management Report, which shall be produced within five (5) working days of the calendar month end, unless agreed otherwise. The Service Management Report shall allow POCL to monitor the provision of the NBS by the Contractor and achievement of the NBS Service Levels as set out in Schedule N08.

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The Service Management Report shall report against all measures and targets set out in Schedule N08 and further as set out below:

(a) A monthly Report broken down by Dialled Connection and Fixed Connection showing:

(i) the total number of Banking Transactions for which a Request has been generated;

(ii) the total number of Banking Transactions for which an Authorisation is received at a Counter Position before the MCWP has expired indicating that a Bank has accepted or Declined that Banking Transaction;

(iii) the total number of Banking Transactions which failed (including MCWP expiry) inside the POCL Service Infrastructure;

(iv) the total number of Banking Transactions which failed (including MAAWP expiry) outside the POCL Service Infrastructure; and

(v) end to end service completion percentage, being the total number described in (ii) above expressed as a percentage of the total number described in (i) above. [NBR051 ,NBR053]

(b) A monthly Report broken down by Dialled Connection and Fixed Connection showing:

(i) the average T1 (as that expression is defined in paragraph 2.1.2 of Schedule N08);

(ii) the average T2 (as that expression is defined in paragraph 2.1.3 of Schedule N08);

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(iii) the percentage of Banking Transactions where T (as that expression is defined in paragraph 2.1.4 of Schedule N08) does not exceed the lower of the two thresholds specified in paragraph 2.1.7(a) of Schedule N08; and

(iv) the percentage of Banking Transactions where T does not exceed the higher of the two thresholds specified in paragraph 2.1.7(b) of Schedule N08.[NBR055]

For the purpose of reporting the average T1 and average T2 referred to in sub-paragraphs (b)(i) and (b)(ii) above, only those Banking Transactions for which an Authorisation is received at a Counter Position before the MCWP has expired indicating that a Bank has accepted or Declined that Banking Transaction will be included.

6.1.2 Management Information

The Contractor shall provide POCL with the management information reports (each an "MIS Report") identified in paragraphs 6.1.2 (a) to (d) of this Schedule N05 in the form and manner as further detailed in the CCD entitled "*Network Banking MIS Reports Design" (NB/SDS/008)*. The content of the *Network Banking MIS Reports Design CCD (NB/SDS/008)* shall be consistent with the MIS Report descriptions set out in paragraphs 6.1.2 (a) to (d) of this Schedule N05.

(a) MIS Money Laundering Report

The Contractor shall produce on a monthly basis a Report listing, by Outlet, the cash deposit Banking Transactions that exceed the configurable threshold specified in the CCD entitled "*Network Banking MIS Reports Design" (NB/SDS/008)*, together with an Outlet summary giving the number and value of such Banking Transactions. [NBR 434]

(b) MIS Multiple Transactions Report

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The Contractor shall produce on a monthly basis a Report giving the number of Banking Transactions conducted for the same PAN on a calendar day in excess of the configurable threshold specified in the CCD entitled "*Network Banking MIS Reports Design" (NB/SDS/008).* with details of all such Banking Transactions sorted by Outlet, PAN and the date on which those Banking Transactions occurred. [NBR269]

(c) MIS Transaction Outcome Analysis by Outlet Report

The Contractor shall produce on a weekly basis a Report giving a summary of the Banking Transactions performed in each Outlet, by POCL Product and Banking Transaction outcome, the number and value of Banking Transactions for the previous Accounting Week. [NBR 258]

(d) MIS Bank Analysis Report

The Contractor shall produce on a weekly basis a Report in respect of each Accounting Week showing for each Bank, issuer scheme, posting date (the date from which the relevant Transmission Day Number (as defined in the TIP Application Interface Specification) is derived), Settlement Date, product type and value band, the outcome, daily number and value (determined from the applicable Confirmation) of Banking Transactions harvested in that Accounting Week. For each of the product types "cash withdrawal", "cash withdrawal with balance" and "cash deposit" there shall be three value bands. At [CCN Date] 26 June 2002 GRO the three value bands will be: (i) zero value transactions; (ii) transactions of greater than zero that are less than or equal to £250; and (iii) greater than £250. Changes to the value bands and/or introduction of additional bands will be effected through the Change Control Procedure. Both parties agree (but for the avoidance of doubt without any commitment) that, in the normal course of business, four weeks would be a reasonable period to allow for the introduction of a change to a value band.[NBR 258]

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6.1.3 The Contractor shall provide POCL with one copy of each MIS Report electronically using "Business Objects" software (or such other software as may be agreed by the parties in writing from time to time).

6.1.4 The Contractor shall, in the normal course of business, provide POCL with one copy of each MIS Report within the time limits specified below:

(a) in the case of the Reports specified in paragraphs 6.1.2(a) to (c) no later than 5 working days after the end of the period covered by the Report ; and

(b) in the case of the Report referred to in paragraph 6.1.2(d) no later than 1 working day after the end of the period covered by the Report.

Where circumstances outside the normal course of business impact on the timing of provision of a MIS Report to POCL then such Report shall be provided to POCL as soon as reasonably practical after the end of the period covered by the Report. The Contractor shall notify POCL as soon as reasonably practicable after becoming aware of circumstances that will delay preparation or provision of a MIS Report.

6.1.5 In the case of the MIS Reports referred to in paragraphs 6.1.2(a) to (c) information from any Outlet which is non-polling between the end of the period covered by the MIS Report and the time when that MIS Report is prepared will not be included in the MIS Report for that period but will be included in a subsequent reprint of the MIS Report showing that information, once all the Outlets have been polled.

6.2 Service Review Board Meetings

6.2.1 The POCL Business Manager and the Contractor's Operational Service Manager shall meet every three months (or as otherwise agreed by the POCL Business Manager and the Contractor's Operational Service Manager) to review performance against NBS Service Levels, and issues and problems escalated to the Service Review Board in the previous period.

6.2.2 Other Contractor staff and POCL staff may attend these meetings at the request of either the Contractor or POCL to resolve particular matters on the agenda.

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6.2.3 A typical agenda for such a meeting may include, without limitation:

a) approval of minutes for previous meeting;

b) NBS Service Management Report;

c) highlights of previous period's NBS statistics, concentrating on failures to meet required NBS Service Levels, including major issues and problems escalated to the Service Review Board, NBS Service Level trends and NBS achievements;

d) explanation of unresolved issues and problems and, in particular, any matters still outstanding;

e) review of the on-going actions, such as fault correction, agreed NBS changes and any POCL related work;

f) suggestions for improvements to the NBS;

g) advance notification of major changes and new work (including IIN take-on or take-off), and review of the impact these may have on the NBS; and/or

h) capacity management issues and changes.

6.2.4 POCL shall keep a record of these meetings and shall distribute the record to the Contractor.

6.3 Outlet Problem Management

6.3.1 If for any Outlet having:

(a) a Fixed Connection the average value of T (as that expression is defined in paragraph 2.1.4 of Schedule N08) calculated over a calendar month (in which 100 or more Banking Transactions have been carried out in that Outlet using that Fixed Connection) exceeds 8 seconds; or

(b) a Dialled Connection the average value of T calculated over a calendar month (in which 100 or more Banking Transactions have been carried out in that Outlet using that Dialled Connection) exceeds 16 seconds,

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then that Outlet shall be dealt with through the problem management procedures used for the Existing Services.

6.3.2 If the causes of one or more Outlets being identified and declared as problems under paragraph 6.3.1 above are found, after investigation, to be the same then that group of Outlets will be treated as a single problem.

7 SERVICE INTERFACE TO OTHER DOMAINS

7.1 POCL shall propose a description of the operational procedures around the NBE/POCL Service Infrastructure boundary including (but not limited to) exception reporting and escalation points to be agreed by the parties (such agreement not to be unreasonably withheld) and documented by POCL in a Working Document entitled "*NBE Operational Level Agreement*".

7.2 The Contractor shall be entitled to close down, so they are not available for use, the communication links between a single Data Centre and the NBE (but not between both Data Centres and the NBE, save as provided in the remainder of this paragraph 7) for the purposes of maintenance, support, upgrade, repair or replacement of any equipment used to provide or support those links. The Contractor shall not carry out scheduled maintenance during the Core Hours in respect of any components of the Data Centres which provide on-line service.

7.3 The Contractor shall be entitled (such entitlement being without prejudice to any rights or remedies of POCL in respect of a Default by the Contractor) to close down the link or restrict or prevent communications (in respect of all or certain types of data) between Data Centres and the NBE if (and only if) the Contractor reasonably believes that:

(a) unless such action is taken there is a material risk that the security of the POCL Services or the POCL Service Infrastructure will be materially compromised;

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(b) data originating from the NBE would, if such action is not taken, cause the POCL Services or the POCL Service Infrastructure to be materially impaired or degraded;

(c) data originating from the POCL Service Infrastructure would, if such action is not taken, cause the NBE or End to End Banking to be materially impaired or degraded; or

(d) as a result of an actual or suspected serious failure within End to End Banking, there is a material risk that Banking Transactions might be incorrectly Authorised or otherwise carried out in error. [NBR588]

7.4 Within one working day of the Contractor closing down the interface between the Data Centres and the NBE in accordance with paragraph 7.3 of this Schedule N05, the Contractor shall provide POCL with a written report explaining:

(a) why that action was necessary; and

(b) if the interface remains closed at the time of provision of such report, what further actions are required by the Contractor, POCL, Banks and POCL's third-party suppliers to reinstate the interface and proposals to prevent recurrence of the need to close the interface.

7.5 POCL and the Contractor shall agree:

(a) the detailed criteria and procedures (including those in respect of the circumstances set out in paragraphs 7.3 and 7.4 of this Schedule N05); and

(b) the procedures for closure of links described in paragraph 7.2 of this Schedule N05,

which shall be followed prior to and following the event of such closure including (in respect of paragraph 7.3 only) the commercial consequences (if any) and the

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consequences for the operation of the NBS. Such criteria and procedures shall be agreed by the parties and shall be documented in the appropriate CCD (by the Contractor) prior to commencement of the NB Pilot (Soft Launch).

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SCHEDULE N06 - NBS AND PIN PAD IMPLEMENTATION SERVICE TERMINATION

Version Reference	Reason for Change	Frozen/issue date
4.0	New Schedule to introduce Network Banking Service	19/06/02

1. INTRODUCTION

1.1 This Schedule covers the responsibilities and payments related to termination of the NBS and the PIN Pad Implementation Service (whether terminated together as discrete services or as part of an overall termination of this Codified Agreement). Termination of the NB/PIN Pad Services includes:

(a) termination of the NB/PIN Pad Services prior to the occurrence of NBS Acceptance;

(b) termination of the NB/PIN Pad Services (together with all other POCL Services) after the occurrence of NBS Acceptance, with or without Contractor Default, before expiry of the Codified Agreement; and

(c) termination of the NB/PIN Pad Services at expiry of the Codified Agreement.

1.2 In the event of any of the termination conditions set out in paragraph 1.1 of this Schedule N06 occurring, POCL may seek to continue to obtain services equivalent to the NBS and the PIN Pad Implementation Service, either by performing it itself or by means of a replacement contractor.

1.3 Where POCL intends to continue to obtain services equivalent to the NBS and the PIN Pad Implementation Service after termination of this Codified Agreement, either by performing the service itself or by means of a replacement contractor, the Contractor shall, save in the event of the termination condition set out in paragraph 1.1(a) of this Schedule N06, use all reasonable endeavours to ensure the smooth transition of the NBS and the PIN Pad Implementation Service and co-operate with POCL or the replacement contractor as required in order to fulfil the Contractor's obligations under this Schedule.

1.4 POCL shall notify the Contractor of its intent under paragraph 1.3 of this Schedule no later than one month after the time of notifying the Contractor of termination of the Codified Agreement.

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1.5 Where the Contractor has an identical obligation under this Schedule and under Schedule A07, the Contractor shall be obliged to perform that obligation once only and to the extent the Contractor's performance of that obligation relates:

(a) to POCL Services other than the NBS and the PIN Pad Implementation Service, such performance shall be deemed to have taken place under Schedule A07; and

(b) to the NBS or the PIN Pad Implementation Service, such performance shall be deemed to have taken place under this Schedule N06.

1.6 Notwithstanding any other provision of this Schedule N06 to the contrary, in the event the termination condition described in paragraph 1.1(a) arises, the Contractor's obligations to perform the Network Banking Transfer Services after such termination shall be limited:

(a) to providing the services set out in paragraph 4.1 of this Schedule N06 to the extent applicable (in respect of any POCL Data or other data held by the Contractor) to the NBS (including, without limitation, records of Banking Transactions relating to any period of the NB Pilot (Soft Launch) which may have been carried out); and

(b) to providing the service described in paragraph 4.2.1(a) of this Schedule N06 for the purpose only of identifying any Project Assets used specifically for the NBS or the PIN Pad Implementation Service which are capable of being transferred without significant impact or significant disruption to any other POCL Services; and

(c) provided that POCL exercises its option to acquire the NB/PIN Pad Service specific Project Assets pursuant to Clause 905.6, to providing the services described in paragraphs 4.2.2 and 4.2.3 of this Schedule N06.

2. SERVICES REQUIRED ON TERMINATION

2.1 General

2.1.1 On notice of termination of the Codified Agreement or the NB/PIN Pad Services (as the case may be) the Contractor shall perform the services identified in paragraph 4 of this Schedule N06.

2.1.2 If notice is given under paragraph 1.4 of this Schedule N06, the Contractor shall, in addition to the services identified in paragraph 4 of this Schedule N06, perform the services specified in the remainder of this paragraph 2.

2.1.3 In performance of such services, the Contractor and POCL shall take into account that all POCL Services under this Codified Agreement are being terminated or transferred, and the effect that has on the availability of assets for transfer under Clause 903.1.

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2.1.4 The Charges for the Network Banking Transfer Services shall be as set out in Schedule A12. These Charges shall be paid by POCL in addition to the NBS Termination Charge and NBS Transfer Payment as set out in this Schedule N06.

2.2 **Training services**

2.2.1 Once POCL has provided the Contractor with the list of data and assets required for transfer under paragraphs 4.1 and 4.2 of this Schedule N06, POCL and the Contractor shall enter into good faith negotiations to identify and specify any training requirements related to such transfers.

2.2.2 The purpose of such training shall be to enable appropriately qualified staff in POCL or a replacement contractor to adopt, integrate and utilise the data and assets transferred to deliver equivalent services to the NBS and the PIN Pad Implementation Service being delivered under this Codified Agreement.

2.2.3 The Contractor shall produce within one month of notice of termination of the Codified Agreement (unless otherwise agreed between the parties) and POCL shall approve:

(a) a training strategy, which details the required courses and their objectives;

(b) training materials (including assessment criteria); and

(c) a training plan of the required training events.

2.2.4 The Contractor shall schedule all necessary resources to fulfil the training plan, and deliver the training as agreed with POCL.

2.3 **Transfer support activities**

2.3.1 Where POCL intends to continue to obtain delivery of services equivalent to the NBS and/or the PIN Pad Implementation Service after termination of the Codified Agreement, either by performing those services itself or by means of a replacement contractor, the Contractor shall use all reasonable endeavours to ensure the smooth transition from the NBS and the PIN Pad Implementation Service to such equivalent services.

2.3.2 The Contractor shall, within one month of notification of the intent to continue to obtain delivery of services equivalent to the NBS and/or the PIN Pad Implementation Service, provide to POCL for its approval:

(a) Transition plan

A detailed plan of the tasks and responsibilities required to enable the transition to the replacement services. The transition plan shall include, but not be limited to:

(i) a timetable of events;

(ii) resources;

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(iii) assumptions;

(iv) activities; and

(v) responsibilities.

(b) Interfaces definition

A detailed specification of the interfaces between the NBS provided by the Contractor, and between each POCL Service and the POCL Service Environment. This specification shall be sufficient as regards interfaces to allow POCL or a replacement contractor to deliver and maintain the replacement services, without loss of functionality, integrity or security.

2.3.3 On receipt of the documents identified in paragraph 2.3.2, POCL (or any replacement contractor) and the Contractor shall enter good faith negotiations to approve them, and the commitments defined in them.

3. NBS TERMINATION CHARGE

3.1 The NBS Termination Charge is intended to represent a contractual good faith recognition of the loss of revenues that the Contractor may reasonably have planned for in establishing the NBS, the PIN Pad Implementation Service and supporting infrastructure.

3.2 Where a NBS Termination Charge is payable to the Contractor following termination of the NB/PIN Pad Services prior to the occurrence of NBS Acceptance, POCL shall pay to the Contractor a sum equal to V+W+X+Y+Z, where:

(a) V shall be:

(i) £16,007,153.00 (being the total of the Charges to POCL set out in paragraphs 17.6, 20.1, 20.2, 24.1.1 and 24.2.1 of Schedule A12); plus

(ii) if POCL gives notice to increase the number of PIN Pads or Paypoles to be procured by the Contractor, any additional Charges in respect of that increase (whether or not due for payment) calculated in accordance with paragraphs 24.1.2, 24.1.3, 24.2.2 and/or 24.2.3 of Schedule A12 (as applicable); plus

(iii) if POCL gives Phase 2 Notice pursuant to paragraph 12.2 of Schedule N01, the additional Charges (whether or not due for payment) set out in Schedule A12, paragraph 20.3 (a) or 20.3(b) (as applicable),

((i), (ii) and (iii) above being together referred to as the "Fixed Item Charges"); less

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(iv) an amount equal to the aggregate of all payments received by the Contractor prior to the date of termination in relation to the Fixed Item Charges; and less

(v) an amount equal to such future Fixed Item Charges as the Contractor is reasonably able to avoid or mitigate as a result of the early termination;

(b) W shall be an amount equal to the aggregate of all costs to the Contractor associated with the termination or transfer of the NBS and the PIN Pad Implementation Service, including but not limited to (the extent related to the NBS or the PIN Pad Implementation Service) closure of Contractor's facilities and termination of contracts relating to its personnel, plus any termination charges payable to suppliers and sub-contractors (the Contractor being required to mitigate such exposure);

(c) X shall be a sum equal to the aggregate charges calculated in accordance with paragraph 18.1 of Schedule A12, with any discounts applied in accordance with paragraph 18.6 of Schedule A12, but without deduction of any sums which POCL is entitled to retain in accordance with paragraph 18.2 of Schedule A12, for T&M Work carried out up to and including the date of termination less an amount equal to the aggregate of all payments received by the Contractor in respect of such T&M Work;

(d) Y shall be an amount equal to the NB Monthly Operating Fee for the calendar month in which the date of termination occurs reduced pro-rata by an amount reflecting the remaining portion of that month following the date of termination (the "Residual Operating Period"); and

(e) Z shall be the sum of £4,000,000.00 (four million pounds).

3.3 Where a NBS Termination Charge is payable to the Contractor following termination or expiry of the Codified Agreement after the occurrence of NBS Acceptance, POCL shall pay to the Contractor a sum equal to V+W+X+Y+Z, where:

(a) V, W, X and Y shall be as set out in paragraph 3.2 above; and

(b) Z shall be an allowance for lost profit, equal to 15% of B, where B represents the aggregate of:

(i) the amount of the NB Monthly Operating Fee which relates to the Residual Operating Period; and

(ii) each subsequent NB Monthly Operating Fee.

4. SERVICES ON TERMINATION

4.1 Transfer of data

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4.1.1 On notice of termination of the NB/PIN Pad Services or the Codified Agreement (as the case may be) the Contractor shall, within one month, deliver to POCL:

(a) an inventory of the POCL Data arising from the operation of or related to the NBS, plus any other NBS related data available for transfer or deletion;

(b) a data structure definition covering all such data available for transfer or deletion;

(c) a proposed physical transfer method and method of deletion; and

(d) a proposed method for testing the integrity and completeness of the data transferred and the completeness of the data deleted.

4.1.2 Within two months or other period agreed by the parties (such agreement not to be unreasonably withheld or delayed) of receiving the Contractor's data transfer and deletion proposals as described in paragraph 4.1.1 above, POCL shall notify the Contractor of the data it wishes to be transferred or deleted, and POCL and the Contractor shall enter good faith discussions to develop a data transfer plan.

4.1.3 No later than five months after the date of notice of termination of the NB/PIN Pad Services or 3 months after agreement of the data transfer and deletion plan, whichever is later, the Contractor and POCL shall co-operate in commencing testing and proving the data transfer and deletion plan, such that transfer may be concluded in accordance with the agreed plan. Once the transfer of POCL Data to POCL in accordance with this paragraph is complete, all remaining POCL Data to which this paragraph 4.1 applies held by the Contractor shall be destroyed. For the purpose of this paragraph "destroyed" means physical destruction of the media upon which such data are held or irretrievable deletion of data from such media (including, without limitation, by reformatting those media).

4.2 **Transfer of assets**

4.2.1 On notice of termination of the NB/PIN Pad Services or Codified Agreement (as the case may be) the Contractor shall, within one month, deliver to POCL an asset register comprising:

(a) a list of all assets eligible for transfer to POCL under the terms of Clauses 903.1 or 905.6 (as applicable), and the terms for such transfer in accordance with paragraph 4.3 of this Schedule;

such list to include, if notice of termination of the Codified Agreement has been given (but not if notice of termination of the NB/Pin Pad Services only has been given),

(b) a list identifying all other assets, other than human resources, skills and know how, that are ineligible for transfer under Clause 903.1, but which are essential to the delivery of the NBS or the PIN Pad Implementation Service. The purpose of each asset shall be included in the list.

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4.2.2 Within three months of receiving the Contractor's asset register as described in paragraph 4.2.1(a) above, POCL shall notify the Contractor of the assets it wishes to be transferred, and POCL and the Contractor shall enter good faith discussions to develop a plan for asset transfer, covering both passing of title to assets and any physical transfer required.

4.2.3 The Contractor and POCL shall co-operate in transferring the assets in accordance with the plan developed under paragraph 4.2.2 above.

4.3 **NBS Transfer Payment**

4.3.1 In the event of termination of the Codified Agreement or the NB/PIN Pad Services:

(a) in circumstances in which a NBS Termination Charge is payable then should POCL wish to exercise its option under Clauses 903.1 or 905.6 (as applicable) the NBS Transfer Payment shall be £1; and

(b) in all other cases should POCL wish to exercise its option under Clauses 903.1 or 905.6 (as applicable) to acquire NB/PIN Pad Service Project Assets the NBS Transfer Payment shall be a sum equivalent to the total charges to POCL as set out in Schedule A12 (or relevant portion thereof) for the NBS Project Assets to be transferred less:

(i) an amount equal to the aggregate of all payments received by the Contractor prior to the date of termination for those NBS Project Assets; and

(ii) an amount equal to such future charges for those NBS Project Assets (as set out in Schedule A12 or the relevant portion thereof) as the Contractor is reasonably able to avoid or mitigate as a result of the early termination,

save that where the resulting figure is less than £1 then the NBS Transfer Payment shall be £1.

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SCHEDULE N08 – NBS SERVICE LEVELS AND REMEDIES

Version Reference	Reason for Change	Frozen/issue date
4.0	New Schedule to introduce the Network Banking Service	19/06/02

1. NBS SERVICE LEVEL PRINCIPLES

1.1 This Schedule specifies the Service Levels and the performance measurements required in respect of them for the NBS.

1.2 For the purposes of this Schedule N08:

"Availability Period" means, if the Initial Period expires between 1 April 2003 and 31 March 2004, each of the following two periods:

(a) the period between the day after expiry of the Initial Period and 31 March 2004 (inclusive); and

(b) the period between 1 April 2004 and 31 March 2005 (inclusive), or

if the Initial Period expires between 1 April 2004 and 31 March 2005, the period between the day after expiry of the Initial Period and 31 March 2005 (inclusive);

"Central NB System" means the elements of the NB System which enable on-line Banking Transactions to be carried out, excluding all:

(a) such elements in Outlets (or other POCL locations where the NBS is available);

(b) network components between each Outlet (or other POCL location where the NBS is available) and the Data Centres; and

(c) network components between the Data Centres and the NBE;

"Congestion Measure" means the proportion (expressed as a percentage) of the total time each day that Outlets are scheduled to have Fixed Connections established

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pursuant to paragraph 2.6 of Schedule N01 (calculated by adding together the periods of Fixed Connection time scheduled in each Outlet, and then totalled for all Outlets) that Dial Round Connections are established instead;

"Core NB System Fault" means a fault in the Central NB System which causes the NBS not to be available in any one or more Outlets for the period that fault persists;

"Counter Processing Time Components" means a system component of a Banking Transaction which occurs prior to the generation of a Request or after receipt at the Counter Position of the corresponding Authorisation;

"Customer Critical Exception" means a Priority Exception in respect of which the Contractor has received a Disputed Banking Transaction Notice;

"Dial Round Connection" means a metered network connection to an Outlet established when a Fixed Connection cannot be established due to network congestion;

"Non Core Hours" means all hours which are not Core Hours.

1.3 The Service Levels described in this Schedule N08 relate to the performance of the NBS within the NBS Service Boundaries as measured at the points and/or in the manner described in this Schedule.

1.4 During the Initial Period, the Contractor's obligations in respect of the Minimum Acceptable Thresholds and Termination Review Thresholds set out in paragraphs 2.1 to 2.4 (inclusive) of this Schedule N08 shall be limited to using reasonable endeavours to achieve those thresholds and reporting the Contractor's performance against those thresholds in accordance with paragraph 6.1.1 of Schedule N05. POCL shall not be entitled to liquidated damages or any other right or remedy provided for under this Codified Agreement in respect of any failure by the Contractor to achieve those Minimum Acceptable Thresholds or Termination Review Thresholds during the Initial Period, and the Contractor's performance in respect of those thresholds during the Initial Period shall be disregarded for the purposes of assessment of liquidated damages and any other rights or remedies provided for under this Codified Agreement which may be due to POCL after that period. For the avoidance of doubt,

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other than as specifically set out in this paragraph 1.4, nothing in this paragraph 1.4 shall operate to restrict POCL's rights in the event of any failure by the Contractor to meet its obligations under this Codified Agreement during the Initial Period.

1.5 All calculations (including percentages and averages) upon which the Minimum Acceptable Thresholds, Termination Review Thresholds or other targets in this Schedule are based shall be calculated, and the Contractor's performance assessed, for the relevant Service Level Measurement Period or Availability Period as a whole. Without prejudice to that calculation and assessment, the Contractor's performance against the Service Levels in this Schedule N08 shall be reported monthly for service monitoring purposes in the Service Management Report.

1.6 Congestion Measure

1.6.1 For the purposes of assessing whether the Contractor shall have achieved the Minimum Acceptable Thresholds and Termination Review Thresholds set out in paragraphs 2.1 and 2.3 of this Schedule N08:

(a) the performance measurements in respect of those thresholds ("Threshold Measurements") for each day upon which the Congestion Measure exceeds 10% (each a "CM Day") shall be disregarded; and

(b) in respect of each CM Day which follows after the occurrence of 13 of the same days of the week upon which the Congestion Measure shall have been less than or equal to 10%:

(i) the average Threshold Measurement for those 13 days shall be used instead of the actual Threshold Measurements on that CM Day, and thereafter

(ii) for each subsequent CM Day which falls on the same day of the week, the average Threshold Measurement for the 13 most recent days, which are the same day of the week, upon which either:

- the Congestion Measure was less than or equal to 10%, or

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- the actual Threshold Measurements have been replaced with average Threshold Measurements in accordance with (i) above,

shall be used instead of the actual Threshold Measurements disregarded on that CM Day.

1.6.2 If the condition for replacement of the actual Threshold Measurements on a CM Day by an average measure as set out in paragraph 1.6.1(b) of this Schedule N08 is not satisfied, then the actual Threshold Measurements for each such CM Day shall be disregarded in accordance with paragraph 1.6.1(a) without replacement by an average value.

1.6.3 If, in any Service Level Measurement Period, more than 30 CM Days occur upon which the condition for replacement of the actual Threshold Measurements on that CM Day by an average measure as set out in paragraph 1.6.1(b) of this Schedule N08 is not satisfied, the Contractor shall not be obliged to achieve any Minimum Acceptable Threshold, Termination Review Threshold or other targets set out in paragraph 2.1 and 2.3 of this Schedule N08 during that Service Level Measurement Period.

1.6.4 For the purpose of the reports referred to in paragraph 1.5 of this Schedule N08 in respect of the Service Levels and targets referred to in paragraphs 2.1 and 2.3 of this Schedule N08, the Contractor shall report:

(a) the relevant averages and/or percentages based upon actual service measurements; and

(b) the actual Congestion Measure for each day that the Congestion Measure exceeded 10%.

The adjustments required to reflect the replacement of actual measurements on CM Days with average measures in accordance with paragraph 1.6.1(b) shall be made at the end of each Service Level Measurement Period and reflected in the report for that period.

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1.7 Not used.

1.8 The architecture of the NB System shall be capable of supporting Banking Transactions (in accordance with applicable Service Levels) carried out in each Outlet during the hours that Outlet is actually open for business, except during the period from 2000 to 0800 each 24 hour period when Banking Transactions shall not be able to be carried out in Outlets due to system management activities (including the introduction of major Releases in accordance with paragraph 5.3.3 of Schedule G01, activities in support of software distribution, continuity tests and Reference Data update and such other activities as the parties may agree). Such periods shall be scheduled by agreement with POCL in accordance with current practices used in respect of the Existing Services, such agreement not to be unreasonably withheld.

1.9 Not used.

1.10 This Schedule sets out five categories of performance measures:

(a) Request and Authorisation transmission time measures;

(b) NBS availability measures;

(c) NBS reliability measures;

(d) Data Reconciliation Service measures; and

(e) Banking Transaction processing times.

2. PERFORMANCE MEASURES

2.1 Request and Authorisation transmission times

2.1.1 Banking Transactions referred to in this paragraph 2.1 shall be those for which a Request is generated and a corresponding Authorisation is received from the NBE before the earliest of:

(a) the MCWP has expired;

(b) the Banking Transaction is Declined; and

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(c) the Banking Transaction fails,

and no other Banking Transactions shall be included in the calculation set out in paragraph 2.1.4.

2.1.2 For each Banking Transaction the Contractor shall record the time (for the purposes of this paragraph 2.1 referred to as "T1") which elapses between the Request being generated at the relevant automated Counter Position, and the corresponding Authorisation being received back at that Counter Position.

2.1.3 For each Banking Transaction the Contractor shall record the time (for the purposes of this paragraph 2.1 referred to as "T2") which elapses between the Authorisation Agent generating each Request for routing to the NBE and the corresponding Authorisation being received back from the NBE by the Authorisation Agent.

2.1.4 The Contractor shall calculate a value for "T" for each Banking Transaction as follows:

$T = T1 - T2$.

2.1.5 The Minimum Acceptable Threshold is that:

(a) the average T ("$FixedT_{Ave}$") for all Banking Transactions conducted in Outlets using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, shall not exceed 4 seconds; and

(b) the average T ("$DialledT_{Ave}$") for all Banking Transactions conducted in Outlets using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, shall not exceed 8 seconds.

2.1.6 The Termination Review Threshold is that:

(a) $FixedT_{Ave}$ for all Banking Transactions conducted in Outlets using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, shall not exceed 8 seconds;

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(b) DialledT_{Ave} for all Banking Transactions conducted in Outlets using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, shall not exceed 12 seconds.

2.1.7 The Contractor shall use reasonable endeavours to ensure that for:

(a) 95% of Banking Transactions conducted in Outlets:

- Using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, T shall not exceed 8 seconds; and

- Using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, T shall not exceed 12 seconds.

(b) 99% of Banking Transactions conducted in Outlets:

- Using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, T shall not exceed 15 seconds; and

- Using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, T shall not exceed 20 seconds.

The targets in this paragraph 2.1.7 are not a Minimum Acceptable Threshold or Termination Review Threshold and there are no remedies provided for in this Codified Agreement applicable in the event of failure to achieve them.

2.2 NBS availability measures

Central Systems Availability

2.2.1 Subject to paragraph 2.2.2, the Contractor shall record and/or calculate the following:

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(a) The number of Core NB System Faults which causes the NBS not to be available in more than 20% of all Outlets.

(b) In respect of each Core NB System Fault, the average period of time ("Average Outlet Outage") that the NBS is not available in an Outlet affected by that Core NB System Fault, as follows:

Average Outlet Outage = A multiplied by B, where:

A = the period, excluding the first five minutes, that a Core NB System Fault causes the NBS not to be available in any one or more Outlets;

B = the number of Outlets where the NBS is not available as a result of that Core NB System Fault expressed as a proportion of the total number of Outlets.

2.2.2 For the purposes of the recording and/or calculations referred to in paragraph 2.2.1 of this Schedule N08 which are to be used for the purposes of paragraph 2.2.3 of this Schedule N08:

(a) Core NB System Faults that cause the NBS not to be available for 5 minutes or less; and

(b) all non-availability of the NBS due to any of the system management activities referred to in paragraph 1.8 of this schedule N08 or to any other system changes agreed by the parties,

shall be excluded, and

(c) Outlets referred to in paragraph 2.2.1 of this Schedule N08 are those Outlets where the NBS is required to be available in accordance with paragraph 2.3 of Schedule N01.

2.2.3 The Minimum Acceptable Threshold ("MAT") in respect of each Availability Period is dependent upon the duration of that period.

(a) If the Availability Period is between 6 and 12 months duration the following table shall apply:

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Service Level Measure	MAT for Core Hours	MAT for Non Core Hours
The number of Core NB System Faults which causes the NBS not to be available in more than 20% of all Outlets shall not exceed:	6	24
The aggregate Average Outlet Outage shall not exceed:	3 hours	24 hours

(b) If the Availability Period is up to 6 months duration the following table shall apply:

Service Level Measure	MAT for Core Hours	MAT for Non Core Hours
The number of Core NB System Faults which causes the NBS not to be available in more than 20% of all Outlets shall not exceed:	3	12
The aggregate Average Outlet Outage shall not exceed:	1.5 hours	12 hours

Network Availability

2.2.4 The Contractor shall measure the time that each of the following elements of the NBS communications network is available to support the NBS as a proportion of the total time in each Availability Period ("Network Availability"):

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(a) The network communications between the Data Centres and the switches used by the Contractor (or Contractor's sub-contractor which operates that network) to answer ISDN calls from Outlets (the "Central Network"); and

(b) The network communication links between the Data Centres and the NBE (the "NBE Network").

For the purposes of measuring the time that the NBE Network is available, periods when that network is closed down pursuant to paragraph 7 of Schedule N05 or by agreement of the parties shall be excluded.

2.2.5 The Minimum Acceptable Threshold for the Central Network in each Availability Period is that:

- Network Availability shall be greater than or equal to 99.95%.

2.2.6 The Minimum Acceptable Threshold for the NBE Network in each Availability Period is that:

- Network Availability shall be greater than or equal to 99.95%.

2.3 NBS reliability measures

2.3.1 For the purposes of this paragraph 2.3 and paragraph 3 of this Schedule N08, "Reliability" means the percentage of all Requests written to the local message store at a Counter Position for which a corresponding Authorisation indicating no failure has occurred in the POCL Service Infrastructure is received at that Counter Position before the MCWP has expired.

2.3.2 The Contractor shall calculate Reliability.

2.3.3 The Minimum Acceptable Threshold is that:

- For Outlets using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, Reliability shall not be less than 99.00%; and

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- For Outlets using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, Reliability shall not be less than 97.00%.

2.3.4 The Termination Review Threshold is that:

- For Outlets using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established, Reliability shall not be less than 95.00%; and

- For Outlets using Dialled Connections taken together, for the periods in which such Dialled Connections are scheduled to be used, Reliability shall not be less than 90.00%.

2.4 Data Reconciliation Service measures

2.4.1 The Contractor shall measure the time taken to resolve each Priority Exception, counting time within MSU Days only, as follows:

(a) Where no Disputed Banking Transaction Notice has been received by the Contractor and a Banking Transaction persists in system state category number 4 or 12 as set out in the CCD entitled *"Network Banking End to End Reconciliation Reporting" (CS/SPE/011)*, such measurement shall commence at 0800 on the second MSU Day following receipt by the DRSH of the corresponding C4 Confirmation or D Message (as applicable).

(b) Where a Disputed Banking Transaction Notice is received by the Contractor and a corresponding C4 Confirmation or D Message has been received by the DRSH prior to the day of receipt of that Disputed Banking Transaction Notice, such measurement shall commence at the time of receipt of the Disputed Banking Transaction Notice (but not if already commenced in accordance with (a) above, in which case (a) shall apply).

(c) Where a Disputed Banking Transaction Notice is received by the Contractor and a corresponding C4 Confirmation or D Message is received by the DRSH on the same day as that Disputed Banking Transaction Notice or on a

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subsequent day, such measurement shall commence at 0800 on the next MSU Day following receipt of that C4 Confirmation or D Message (as applicable).

In each case above the Priority Exception shall be deemed resolved and measurement shall stop at the time the Contractor sends information to POCL sufficient to enable POCL to settle that exception with the relevant Bank, as described in the CCD entitled *"Network Banking Reconciliation and Incident Management" (NB/PRO/002).*

2.4.2 In respect of each Priority Exception where the Contractor requires:

(a) information from, or access to an Outlet; or

(b) information from the NBE,

for that exception to be resolved, the following shall not count towards the time for resolution of that exception:

(c) the period, if any, during which the Contractor is unable to contact (by telephone or other method agreed by the parties) the Outlet in question or the NBE in order to request that information or access, provided that the Contractor has used reasonable endeavours to make such contact; and

(d) the period, if any, whilst the Contractor waits for that information or access to be provided by the Outlet in question or the NBE, having requested it, provided that the Contractor has repeated such request at reasonably frequent intervals.

The discounting of the periods described in (c) and (d) above shall be subject to the Contractor providing reports to POCL setting out the reasons for discounting any such periods from the resolution time for a Priority Exception and the duration of such periods.

2.4.3 In respect of each Disputed Banking Transaction Notice, the Contractor shall continue to check on each MSU Day following that notice whether a corresponding C4 Confirmation or D Message has been received until either a Customer Critical Exception arises and is resolved or the Contractor and POCL agree alternative action.

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2.4.4 For the purposes of paragraph 2.4 of this Schedule N08:

(a) "day" means a period running for 24 hours from 00:00; and

(b) a C4 Confirmation or D Message received on a day by the DRSH after 21:30 on that day shall be deemed to have been received the next day.

2.4.5 The Minimum Acceptable Threshold set out in paragraph 2.4.6 of this Schedule N08 shall apply in respect of:

(a) all Customer Critical Exceptions; and

(b) the first 500 Priority Exceptions (other than Customer Critical Exceptions) occurring on each day (excluding those described in (c) below),

but shall not apply in respect of:

(c) Priority Exceptions (other than Customer Critical Exceptions) arising from a common cause, in each case where the number of Priority Exceptions arising from such common cause is greater than 100.

2.4.6 The Minimum Acceptable Threshold is that:

- the resolution time (measured in accordance with paragraphs 2.4.1 and 2.4.2 of this Schedule N08) for 95% of the Priority Exceptions specified in paragraph 2.4.5 of this Schedule N08 shall not exceed 8 hours.

2.5 Banking Transaction processing times

2.5.1 For the purpose of establishing preliminary target times, POCL and the Contractor have agreed a single target time ("Initial Target Time") for the sum of the Counter Processing Time Components for each type of Banking Transaction and for each such type using each applicable method of Customer Verification (PIN entry and signature comparison).

2.5.2 The Initial Target Times and the basis upon which those times have been assessed are set out in the Annex to this Schedule N08. In particular (but without limitation), the parties acknowledge and agree that the Initial Target Times are based upon the

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Banking Transaction activity and screen flows set out in the document entitled *"Network Banking Counter Dialogue – Activity and Screen Flows" (NB/SPE/003)* version 0.8, dated 6 March 2002.

2.5.3 The Contractor shall review the Initial Target Times and provide POCL with revisions to them, to the extent such revisions are necessary to reflect changes made to the document referred to in paragraph 2.5.2 of this Schedule N08 in order for that document to be introduced as a CCD. Such revisions shall be consistent with the basis of assessment of the Initial Target Times (as described in paragraph 2 of the Annex to this Schedule N08) and shall be provided to POCL at least 12 weeks before commencement of NB Pilot (Soft Launch) in the form of a draft CCD to be entitled *"NBS Counter Transaction Times for Release BI3"*. Once that CCD has been agreed under the Change Control Procedure, the Initial Target Times as revised in that CCD shall be the "Target Times".

2.5.4 Neither the Initial Target Times nor the Target Times shall be Minimum Acceptable Thresholds or Termination Review Thresholds.

2.5.5 Not used.

2.5.6 When required to be measured in accordance with paragraph 2.5.7, the actual time taken by the Counter Processing Time Components for each type of Banking Transaction shall be measured by the Contractor in accordance with the CCD entitled *"Counter Transaction Performance Measurement and Benchmarking"* and added together (the "Benchmark Times"), for comparison with the corresponding Target Times. The CCD entitled *"Counter Transaction Performance Measurement and Benchmarking" (CS/PRP/001)* shall be updated by the Contractor to include NBS elements at least 12 weeks before commencement of NB Pilot (Soft Launch).

2.5.7 The Benchmark Times shall be measured for the purposes of the NBS Acceptance Procedure during the NB Pilot (Soft Launch). The Benchmark Times shall be re-measured as soon as reasonably practicable after deployment of each major NBS

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Release (other than the Release deployed following achievement of NBS Acceptance).

2.5.8 If upon re-measurement of the Benchmark Times in accordance with paragraph 2.5.7 of this Schedule N08 any of the Benchmark Times exceeds its corresponding Target Time (each a "Benchmark Time Failure"), the following provisions shall apply:

(a) POCL and the Contractor shall agree (such agreement not to be unreasonably withheld) a method of rectification, including a timetable (a "NB Rectification Plan") for each Benchmark Time Failure. If that NB Rectification Plan requires changes to be made to the provisions of the Codified Agreement or any CCD, such changes shall be made pursuant to the Change Control Procedure. Any changes to the NB System or the NBS required to rectify Benchmark Time Failures shall be made at no charge to POCL.

(b) Each Benchmark Time Failure shall not be a Default unless within 90 days after the occurrence of that Benchmark Time Failure the parties have failed to reach agreement upon a NB Rectification Plan and the Benchmark Time Failure has not been rectified by the Contractor, in which case that Benchmark Time Failure shall become a Default upon expiry of that 90 day period.

(c) A failure by the Contractor to comply with a Rectification Plan shall be a Default.

3. REMEDIES

3.1 Liquidated Damages

3.1.1 The liquidated damages payable by the Contractor shall be based on a series of measurements, accumulated over a range of Services. This Schedule specifies the contribution made by the NBS.

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3.1.2 In respect of each Service Level Measurement Period the liquidated damages payable by the Contractor under this Schedule N08 shall equal the sum of Remedies(Time) and Remedies(Reliability) for that period.

3.1.3 In respect of each Availability Period the liquidated damages payable by the Contractor under this Schedule N08 shall equal the sum of Remedies(Availability1) and Remedies(Availability2) for that period.

3.1.4 In addition to the sums referred to in paragraphs 3.1.2 and 3.1.3 of this Schedule N08 the Contractor shall also pay liquidated damages calculated as set out in paragraph 3.7 of this Schedule N08.

3.1.5 The total cumulative sums payable by the Contractor under this paragraph 3 of this Schedule N08 for the period to 31st March 2005 shall not exceed £3,000,000 (three million pounds) and the aggregate limit on the Contractor's liability set out in Clause 810.2.3 shall apply to any sums paid by the Contractor under this paragraph 3 of this Schedule N08.

3.1.6 Liquidated damages shall never be payable by POCL under this Schedule N08 and if the result of a calculation under paragraphs 3.1.2, 3.1.3 or 3.7.1 is negative, the Contractor shall not be obliged to pay liquidated damages in respect of that Service Level Measurement Period or Availability Period (as the case may be) and the negative sum shall be disregarded and not set off against liquidated damages payable by the contractor in respect of future Service Level Measurement Periods or Availability Periods.

3.1.7 The amount of £2,000 used in the formula set out at paragraph 3.4.1(b) of this Schedule N08 shall be subject to annual indexation from May 2002. The basis for this indexation shall be the Retail Price Index.

3.2 Definitions

In this paragraph 3 of this Schedule N08, the following expressions shall have the following meanings:

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FixedT(NBS)	The total number of Banking Transactions carried out using a Fixed Connection in the relevant Service Level Measurement Period.
DialledT(NBS)	The total number of Banking Transactions carried out using a Dialled Connection in the relevant Service Level Measurement Period.
FixedC(NBS)	FixedT(NBS) multiplied by the lesser of : (i) .4; and (ii) ($FixedT_{Ave}$ – 4).
DialledC(NBS)	DialledT(NBS) multiplied by the lesser of (i) 4; and (ii) ($DialledT_{Ave}$ – 8).
R	£0.007 multiplied by (Retail Price Index for the May prior to the relevant Service Level Measurement Period divided by Retail Price Index for May 1996)
Reliability (Dialled)	Reliability in Outlets using Dialled Connections taken together, for the periods such Dialled Connections are scheduled to be used.
Reliability (Fixed)	Reliability in Outlets using Fixed Connections taken together, for the periods such Fixed Connections are scheduled to be established.
F	The lesser of: (i) 99 – Reliability (Fixed); and (ii) 4,

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	divided by 100.
D	The lesser of:
	(i) 97 – Reliability (Dialled); and
	(ii) 7,
	divided by 100.
Counter Transaction time	30 seconds.
V	Aggregate Average Outlet Outage (Core Hours) – MAT Average Outlet Outage (Core Hours), or zero if the result of that calculation is negative.
H	Total Core Hours in the Availability Period.
A	H – MAT Average Outlet Outage (Core Hours).
T(D)	Total number of Cash Deposit Banking Transactions.
T(W)	Total number of Non-CAPO cash Withdrawal Banking Transactions + Total number of Non-CAPO Cash Withdrawal with Balance Banking Transactions.
T(B)	Total number of Non-CAPO Balance Enquiry Banking Transactions.

3.3. Request and Authorisation transmission times

3.3.1 The formula for calculating liquidated damages for excess Request and Authorisation transmission time shall be as follows:

Remedies(Time) = {Fixed C(NBS) + DialledC(NBS)} x R

3.3.2 The result of the calculation of Remedies(Time) may be a negative value.

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3.4 NBS Availability

3.4.1 The formulae for calculating liquidated damages for non-availability of the NBS shall be as follows:

(a) Remedies(Availability1) = {T(D) + T (W) x 0.8 + T(B)} x {V/A} x £0.30

(b) Remedies(Availability2) = {Number of Core NB System faults (Non-Core Hours) – MAT Core NB System Faults (Non-Core Hours)} x £2,000.

3.4.2 If the result of the calculation of Remedies(Availability2) is negative, a value of zero shall be substituted as the value of Remedies(Availability2).

3.5 NBS Reliability

3.5.1 The formula for calculating liquidated damages for NBS reliability failures shall be as follows:

Remedies(Reliability) = {F x FixedT(NBS) + D x DialledT(NBS)} x Counter Transaction Time x R.

3.5.2 The result of the calculation of Remedies(Reliability) may be a negative value.

3.6 Other Minimum Acceptable Thresholds

Without prejudice to paragraph 3.6.8.6 of Schedule G01, liquidated damages shall not be payable by the Contractor in respect of any failures to achieve the Minimum Acceptable Threshold described in paragraphs 2.4 of this Schedule N08 or the Target Times referred to in paragraph 2.5 of this Schedule N08.

3.7 MIS Bank Analysis Report

3.7.1 If a report which the Contractor is obliged to provide under paragraph 6.1.2(d) of Schedule N05 (the "MIS Bank Analysis Report") is not provided within the time specified for its provision in Schedule N05 or such later time as POCL may specify then the Contractor shall pay to POCL liquidated damages calculated as follows:

Remedies(MIS Bank Analysis Report) = (number of Transactions on report in question / 1,000,000) x (number of working days report is late x £55).

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3.7.2 There shall be no Minimum Acceptable Threshold or Termination Review Threshold in respect of the delivery of the MIS Bank Analysis Report.

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ANNEX TO SCHEDULE N08

1. Initial Target Times

Banking Transaction type/variant:	Initial Target Time (Seconds)
Cash Deposit	9.30
Cash Withdrawal (signature verification)	15.16
Cash Withdrawal (PIN verification)	15.61
Cash Withdrawal with balance (signature verification)	15.77
Cash Withdrawal with balance (PIN verification)	16.22
Withdraw limit (PIN verification)	15.45
Balance Enquiry (signature comparison)	14.59
Balance Enquiry (PIN verification)	15.17
Change of PIN	15.41

2. Basis of assessment of Initial Target Times and subsequent Target Times

2.1 The starting point for the timing of each Initial Target Time is the point at which data are committed by NB Token swipe. There shall not be separate Target Times for Banking Transactions where data are entered manually and committed by keyboard.

2.2 Each Initial Target Time includes only those Counter Processing Time Components which result if the normal path for authorisation of the relevant Banking Transaction type is followed through the activity and screen flow for that Transaction. The Initial Target Times for those transactions which make use of the PIN Pad include allowance for the time taken to process triple DES encryption, even though the encryption method used in the solution to be delivered at NBS Go Live will use single DES encryption unless agreed otherwise using the Change Control Procedure.

2.3 The following are excluded from each of the Initial Target Times:

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(a) the time between generation of a Request and receipt of an Authorisation; and

(b) all time whilst waiting for User and/or Customer input.

2.4 The end point for timing each of the Initial Target Times is the point at which receipt printing (in English) is completed.

2.5 Paragraphs 2.1 to 2.4 (inclusive) of this Annex shall also be applied in respect of the Target Times.

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SCHEDULE N09- NBS CONTINGENCY SERVICES

Version Reference	Reason for Change	Frozen/Issue Date
4.0	New Schedule to introduce Network Banking Service	19/06/02

1. CONTINGENCY SERVICES

1.1 The Contractor shall update the CCD entitled "*Business Continuity Framework*" (CS/SIP/002) to include any:

(a) modifications to business continuity operations described in that document for the Existing Services, necessary to reflect the introduction of the NBS; and

(b) new business continuity operations required for the NBS.

The Contractor shall submit that updated CCD to POCL by the applicable date specified in the NB Project Plan, for agreement by POCL, such agreement not to be unreasonably withheld.

1.2 Unless agreed otherwise in accordance with paragraph 1.6, the NBS Contingency Services shall:

1.2.1 include the performance of substantially the same business continuity tests as are described in the CCD entitled "*Business Continuity Framework*" (CS/SIP/002) prior to it being updated as being applicable to the Existing Services, with such modifications to those tests as are reasonably necessary to test operational elements of business continuity for the NBS; and

1.2.2 include the tests set out in Table A in paragraph 1.7 below.

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1.3 The tests referred to in paragraph 1.2 shall be conducted with the business continuity tests conducted for the Existing Services and scheduled in accordance with working practice for the Existing Services. The frequency of and method used for all business continuity tests shall be documented in the Working Document entitled *"Business Continuity Test Plan" (CS/PLA/011).*

1.4 Before NB Pilot (Soft Launch) the Contractor shall carry out initial testing of NBS business continuity plans and facilities through procedural walkthroughs which shall (subject to any agreement to the contrary between the parties) include initial testing of technical processes and the production of test reports.

1.5 Before such time as NB Go Live has taken place in all Outlets the Contractor shall carry out an operational test of the business continuity plans for the following elements of the NBS:

1.5.1 Bootle Data Centre;

1.5.2 Host Central Server;

1.5.3 ISDN Router;

1.5.4 NBS Authorisation Agent; and

1.5.5 NBS/NBE Interfaces.

1.6 Business continuity tests to be carried out under this Schedule N09 may be cancelled or rescheduled and/or the method used for a test may be varied for operational business reasons by agreement in writing between POCL and the Contractor (such agreement not to be unreasonably withheld).

1.7 Subject to anything to the contrary agreed under paragraph 1.6 the testing to be carried out after NBS Acceptance shall include the tests set out in Table A below.

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Table A

Business Continuity Test	Frequency of Testing	Type of Test
Reconciliation Service	Twice per year	Live Operational (x1) Walk through (x1)
Bootle Data-centre (including automated switchover to backup systems referred to in paragraph 1.10.1 of this Schedule N09)	Twice per year	Live Operational (x1) Walk through (x1)
Host Central Server	Twice per year	Live Operational (x1) Walk-through (x1)
Correspondence Server	Twice per year	Live Operational (x1) Walk-through (x1)
ISDN Router	Twice per year	Live Operational (x1) Walk-through (x1)
Data-centre LAN	Twice per year	Live Operational (x1) Walk-through (x1)
Agent platform	Twice per year	Live Operational (x1) Walk-through (x1)
Reference Data Management Centre	Twice per year	Operational Test Environment (x1) Walk-through (x1)
NBS Authorisation Agent	Twice per year	Live Operational (x1) Walk-through (x1)
NBS - NBE Interfaces	Twice per year	Live Operational (x1) Walk-through (x1)

1.8 Each Data Centre (if required to support the NBS on its own as a result of a failure of the other Data Centre) shall have the capability in normal operation with no failures having occurred:

1.8.1 to support the Contracted Volumes; and

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1.8.2 to support the Contractor's obligations in respect of the Service Levels set out in Schedule N08 without preventing or impairing that Data Centre's support for the Contractor's obligations in respect of the Service Levels for the Existing Services.

1.9 The Data Centres (including NBS elements) will be configured such that no single point of failure within the Data Centres will cause the NBS to fail with both Data Centres in operation.

1.10 Switchover to backup systems within the Data Centres and for the network connections within the Data Centres:

1.10.1 for real-time elements of the NBS affecting Banking Transactions at Counter Positions shall be automated; and

1.10.2 for non-real time elements may be automated or manual.

1.11 The Contractor shall co-operate with POCL and provide such assistance as is reasonably requested by POCL for the purposes of business continuity and fail-over testing of End to End Banking (excluding the elements of End to End Banking provided by the Contractor). In the event that such co-operation and assistance is requested by POCL, POCL and the Contractor shall agree the method of working and the periods for, timing and frequency of such testing so as to minimise disruption and risks to the operation of the NBS and the Existing Services. The Contractor's charges in respect of such co-operation and assistance (which shall be paid by POCL to the Contractor) shall be calculated on a time and materials basis using the Contractor's rates as set out in paragraph 18.1.1(b) of Schedule A12.

1.12 The Central Network

1.12.1 The Central Network shall be configured such that there shall be no single point of failure within the Central Network.

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1.12.2 The loss of a major switching node within the Central Network shall not cause the NBS to fail and should such loss occur the Contractor (in addition to its other obligations under this Codified Agreement) shall use all reasonable endeavours to procure that any shortfall in system performance is recovered within 7 days of that loss.

1.13 The NBE Network

The NBE Network shall be configured such that there shall be no single point of failure (including site failure) within the NBE Network.

1.14 The network communications link between each Data Centre and each NBE shall have the capability in normal operation with no failures having occurred to that link:

1.14.1 to support the Contracted Volumes; and

1.14.2 of supporting the Contractor's obligations in respect of the Service Levels set out in Schedule N08.

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