

THIS SECOND SUPPLEMENTAL AGREEMENT, being Change Control Note (CCN) No. 560 is made the 24th day of September, 1999

BETWEEN:

- (1) **POST OFFICE COUNTERS LTD.**, whose registered office is 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 1DS (the "Contractor").

WHEREAS:

- (A) This Second Supplemental Agreement is supplemental to the Codified Agreement between the parties dated 28th July, 1999 (the "Codified Agreement") and constitutes CCN No. 560 of that Codified Agreement.
- (B) The Contractor and POCL have been carrying out the Operational Trial and the other Acceptance Procedures in accordance with the Codified Agreement.
- (C) By a Supplemental Agreement dated 20th August, 1999 (the "First Supplemental Agreement") the parties agreed that CSR Acceptance had not been achieved at the end of the CSR Operational Trial Review Period.
- (D) By the First Supplemental Agreement the parties agreed, inter alia, a programme of work with a view to achieving Acceptance and Release Authorisation by 24th September, 1999, and also agreed that only certain elements of the Core System Release were required to be re-submitted for testing in the Second CSR Acceptance Test and that only certain faults could be raised as Acceptance Incidents in relation to the Second CSR Acceptance Test.
- (E) As at the date of this Second Supplemental Agreement the following Acceptance Incidents (in addition to those categorised as category (c) faults) remain outstanding:-
 - (i) Category (b) Faults which are Substantive New Faults reported to the Contractor after 3rd September, 1999 in respect of which no timetable for resolution has been agreed

Those Acceptance Incidents described in Part A of Schedule 1; and
 - (ii) Faults not falling within recital (E)(i) above

Those Acceptance Incidents described in Part B of Schedule 1.

It is Agreed as follows

1. Interpretation

- 1.1 Words and expressions defined in the Codified Agreement or the First Supplemental Agreement shall bear the same meanings when used in this Agreement.
- 1.2 In this Agreement the expression "POCL" shall bear the meaning ascribed thereto in the Codified Agreement.
- 1.3 Unless the context otherwise requires references in this Agreement to clauses, Recitals and Schedules are to clauses of, and Recitals and Schedules to, this Agreement.
- 1.4 In this Agreement, unless the context otherwise requires:-

"Accounting Integrity Control Release" means the software release to implement the functionality described in the TIP Control CCD .

"Accounting Integrity Control Release Date" means the date on which the Accounting Integrity Control Release shall have been:-

- (i) developed in accordance with the TIP Control CCD;
- (ii) demonstrated by appropriate testing to have met the specification set out in the TIP Control CCD;
- (iii) observed in operation, during a live observation period comprising two cash account weeks, in all Outlets to which Rollout shall have taken place as at the beginning of such observation period; and
- (iv) fully deployed in all Outlets to which Rollout shall have taken place at such date.

"Cash Account Discrepancies" has the meaning ascribed thereto in Clause 7.1.

"Liabilities" means losses, costs, claims, charges, demands, expenses and liabilities.

"Rectification Plan" has the meaning ascribed to it in Clause 3.1.

"Rectification Timetable" means the document so described and initialled by the parties or their legal advisers for the purposes of identification.

"TIP Control CCD" means the CCD entitled "Logical Design for EPOSS/TIP Reconciliation Controls".

"TIP Integrity Checking Period" means the period from the date of this Agreement until the expiry of a period of four consecutive weeks after the Accounting Integrity Control Release Date in which the TIP Integrity Checking Process shall have identified

no Cash Account Discrepancies not also identified by the Accounting Integrity Control Release.

"TIP Integrity Checking Process" means the process to be performed by POCL pursuant to clause 7.1.

"TIP Interface" means the systems interface described in paragraph 3.4.1 of Schedule G01 to the Codified Agreement and defined in the CCD entitled "Pathway to TIP Application Interface Specification".

2. CSR Acceptance

- 2.1 The parties agree that CSR Acceptance shall be deemed to have been achieved as at the date of this Agreement.
- 2.2 POCL acknowledges that the Release Authorisation Board has, in reliance on the terms of this Agreement, authorised national rollout of the Core System with effect from execution of this Agreement by both parties hereto.

3. Remedy of Outstanding Faults

- 3.1 The Contractor undertakes to use its reasonable endeavours to resolve each of the outstanding Acceptance Incidents referred to in Part B of Schedule 1 in accordance with the rectification plans listed Schedule 2 ("Rectification Plans") and the Rectification Timetable. POCL shall use its reasonable endeavours to comply with the obligations imposed on it in the Rectification Plans. In the event of any conflict between Schedule 2 and the Rectification Timetable the provisions of Schedule 2 shall prevail.
- 3.2 For the avoidance of doubt, notwithstanding that the express provisions of Schedule 2 may purport to impose absolute obligations on the parties, the parties' obligations in respect thereof shall be limited to using their respective reasonable endeavours to perform them.
- 3.3 If any of the outstanding Acceptance Incidents referred to in Part B of Schedule 1 shall not have been remedied by the use of such reasonable endeavours by the due date contained within the Rectification Timetable the Contractor shall continue to use reasonable endeavours to resolve such Incident at its own expense as soon as practicable thereafter and, where applicable, POCL shall continue to use its reasonable endeavours to co-operate in such resolution in a manner consistent with the co-operation required of it under the Rectification Plans.
- 3.4 The provisions of clause 3.4 of the First Supplemental Agreement shall apply in relation to Acceptance Incidents referred to in Part A of Schedule 1.
- 3.5 All work carried out by the Contractor, its agents and its sub-contractors in remedying any of the Acceptance Incidents referred to in Part A of Schedule 1 shall be at the sole risk and expense of the Contractor.

- 3.6 The Contractor shall co-operate and join with POCL in providing such information and explanation to the Post Office's auditors as such auditors may reasonably require in order to satisfy themselves that the audit reports of the Post Office and POCL should not be qualified or contain a fundamental uncertainty paragraph as a result of the circumstances giving rise to Acceptance Incident 376.

4. First Supplemental Agreement

- 4.1 Clauses 5, 6 and 7 of the First Supplemental Agreement shall be superseded by this Agreement and shall cease to apply with effect from the date hereof. The remaining provisions thereof shall continue in effect insofar as they remain applicable.
- 4.2 For the avoidance of doubt, clause 4.6 of the First Supplemental Agreement shall continue to apply.

5. Variation of Roll Out Programme

The Roll Out Programme in Annex 1 to Schedule A12 to the Codified Agreement shall be replaced in its entirety by the Roll Out Programme set out in Schedule 3 to this Agreement.

6. Suspension of Rollout

- 6.1 If:-
- 6.1.1 any of the criteria in parts A to C of Schedule 4 shall not have been met by 24 November, 1999; or
- 6.1.2 the Accounting Integrity Control Release Date shall not have occurred by 14 January, 2000; or
- 6.1.3 any of the criteria set out in part D of Schedule 4 shall not have been met by 14 January, 2000

POCL shall be entitled by notice to the Contractor to postpone the resumption of Rollout from 24 January, 2000 until such later date as shall be agreed pursuant to clause 6.2 below.

- 6.2 If POCL gives notice pursuant to clause 6.1 above the parties shall meet as soon as reasonably practicable thereafter with a view to agreeing and documenting:-
- 6.2.1 a plan and timetable for re-testing and demonstrating the satisfaction of each of the criteria set out in Parts A to D (inclusive) of Schedule 4 not then satisfied; and
- 6.2.2 a revised Roll Out Programme to take effect once the satisfaction of all such criteria shall have been demonstrated and the Accounting Integrity Control Release Date shall have occurred.

7. TIP Integrity Checking Process

- 7.1 POCL agrees that during the TIP Integrity Checking Period it shall, on a weekly basis, carry out a process of creating a cash account from individual transaction data received by it across the TIP Interface, comparing such cash account with the electronic cash account received by it from the Contractor across the TIP Interface, reporting to the Contractor any discrepancies between such accounts ("Cash Account Discrepancies") and providing to the Contractor such co-operation as shall be necessary in order to enable the Contractor to investigate such Cash Account Discrepancies.
- 7.2 In consideration for POCL performing the TIP Integrity Checking Process the Contractor shall pay to POCL a charge calculated as follows:-
- (i) a fixed charge of £228,000; plus
 - (ii) a charge of £229 for each discrepancy reported to the Contractor.
- 7.3 The charge referred to in Clause 7.2(i) shall be due on the date of this Agreement and shall be paid, together with VAT thereon, within 23 days of receipt by the Contractor of an invoice therefor.
- 7.4 The charge referred to in clause 7.2(ii) shall be invoiced and paid, together with VAT thereon, on a monthly basis, each invoice to be paid within 30 days of receipt thereof by the Contractor.
- 7.5 POCL shall be entitled to set off any amount owing to it under this clause 7 against any charges payable by it to the Contractor under the Codified Agreement.

8. Indemnity

- 8.1 The Contractor shall indemnify and keep indemnified POCL on demand (on an after tax basis) against all Liabilities (other than any costs and expenses incurred in applying the TIP Integrity Checking Process) which POCL may suffer or incur as a result of any matter or circumstance arising prior to the Accounting Integrity Control Release Date which it would not have suffered or incurred had the Accounting Integrity Control Release Date occurred on the date hereof.
- 8.2 The Contractor shall not be liable under clause 8.1 above in respect of any Liability suffered or incurred by POCL to the extent that such Liability would not have been suffered or incurred but for a failure by POCL to apply the TIP Integrity Checking Process in accordance with POCL's procedures therefor.
- 8.3 In the event of any matter or circumstance arising in respect of which the Contractor may be liable under clause 8.1 above, POCL shall promptly notify the Contractor of such matter and shall permit the Contractor, at the Contractor's expense, for a period of four weeks from notification of such matter to investigate and seek to resolve the matter and/or mitigate the Liability in question. POCL shall provide to the Contractor,

at the Contractor's expense, such co-operation as the Contractor shall reasonably request to enable the Contractor to take such action.

- 8.4 The provisions of clause 810 of the Codified Agreement shall apply to any liability of the Contractor under this Agreement. For the avoidance of doubt any liability incurred by the Contractor under this Agreement shall be included within the aggregate liability of the Contractor under the Codified Agreement for the purposes of Clause 810.2.3 of the Codified Agreement.

9. First Roll Out Payment

If by 13 November, 1999 Roll Out shall have occurred to a number of Outlets being less than 1,800 but not less than 1,600 then the First Progress Payment of £90 million under paragraph 1 of Schedule A12 to the Codified Agreement shall be reduced to £80 million (before any deduction pursuant to paragraph 7.2 of the said Schedule A12) and shall become due on the later of 1st November, 1999 and the date upon which Roll Out shall have occurred in 1,600 Outlets. If so, the second Progress Payment shall be payable as currently scheduled in paragraph 1 of Schedule A12 but shall be increased to £100 million (before any deduction pursuant to paragraph 7.2 of Schedule A12). The figures of £80 million and £100 million referred to in this clause equate to gross figures of £106.67 million and £133.33 million before retention of 25 per cent. from each figure in accordance with the said paragraph 1 of Schedule A12.

10. Further Delays

For the purposes of Clause 606.2.1 of the Codified Agreement any delay in Rollout of the Core System 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.

11. Further Obligations

The Codified Agreement (including as appropriate its schedules) shall be amended so as to impose upon the Contractor those additional ongoing obligations described in Schedule 5 and such other obligations (if any) required by the Rectification Plans and any documents referred to therein which the Parties agree should be treated as ongoing obligations (such agreement not to be unreasonably withheld).

12. Miscellaneous

- 12.1 The provisions of clause 603 of the Codified Agreement shall apply, mutatis mutandis, to any notice to be given by POCL under this Agreement.
- 12.2 No delay or omission by POCL in exercising any right, power or remedy under this Agreement shall:-
- (i) affect that right, power or remedy; or
 - (ii) operate as a waiver of it.

- 12.3 The single or partial exercise of any right, power or remedy under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 12.4 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.
- 12.5 Any payment to be made by the Contractor under clause 8.1 of this Agreement shall be made without deduction or set off on any account whatsoever.
- 12.6 The provisions of this Agreement shall be deemed to be incorporated as appropriate as amendments to the Codified Agreement.
- 12.7 Except to the extent expressly amended by this Agreement the provisions of the Codified Agreement and its schedules shall continue unamended and in full force and effect.

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

SCHEDULE 1

Outstanding Category (a) and (b) Faults

Part A

Substantive New Faults Reported after 3rd September, 1999

[None]

Part B

Acceptance Incidents with Rectification Plans

Acceptance Incidents 211, 218, 298, 314, 342, 369,

372, 376, 378, 390, 391, 408 and 412

each as described in the corresponding Acceptance Incident Forms contained in the Annex to
this Agreement

SCHEDULE 2

Rectification Plans

For Remedy of Outstanding Acceptance Incidents

Documents referred to in the text of this Schedule and the timetable are annexed to this Agreement. That Annex has been initialled for the purposes of identification.

13. AIN 211
 - 13.1 The Contractor shall apply each of the fixes detailed in the Acceptance Incident Analysis Form for AIN 211 ("Form 211") by the date specified for such fix in Form 211.
 - 13.2 Where no date is specified in Form 211 for the application of a fix, the Contractor confirms that that fix has been successfully applied for all Outlets to which Rollout has occurred as of the date of this Agreement.
 - 13.3 The Contractor shall monitor the effectiveness of the action taken by it to resolve the incident.
 - 13.4 When the monitoring referred to in paragraph 1.3 demonstrates over a period of four consecutive weeks that resolution of AIN 211 has been achieved, then POCL will close AIN 211.
14. AIN 218
 - 14.1 Each of the Contractor and POCL shall complete the steps and achieve the objectives applicable to it (the "218 Obligations") detailed in section 3 and the Contractor shall meet the critical success factors (the "Criteria") detailed in the table headed "Critical Success Factors" in Document CR/ACD/218 (Version 0.5) (dated 23rd September, 1999).
 - 14.2 Each of the Contractor and POCL shall fulfil each of the 218 Obligations applicable to it and the Contractor shall ensure that all the Criteria are met by 31st December, 1999.
 - 14.3 When the 218 Obligations and all the Criteria shall have been satisfied, then POCL will close AIN 218.
15. AIN 298
 - 15.1 Each of the Contractor and POCL shall complete the steps and achieve the objectives applicable to it (the "298 Obligations") detailed in section 5 of Document CR/ACD/298 (Version 0.8) (dated 23rd September, 1999) ("CR/ACD/298") and where that section identifies one party as fulfilling an action, the other party shall assist the aforementioned party to reach a successful conclusion.
 - 15.2 Each of the Contractor and POCL shall complete each of the 298 Obligations applicable to it by the dates and to the standards set out in section 5 of CR/ACD/298.

- 15.3 Without prejudice to the generality of the above paragraphs 3.1 and 3.2, the criteria to be met in respect of AIN 298 by 24th November, 1999 are as set out in Part A of Schedule 4 of this Agreement.
- 15.4 The Contractor shall, until closure of AIN 298, record and report to POCL such data as shall be necessary to enable POCL to calculate the number of Units being recorded as defined in paragraph 3 of Part A of Schedule 4 to this Agreement.
- 15.5 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 an average of one per Counter Position per month.
- 15.6 Without prejudice to the generality of the above paragraphs 3.1 and 3.2, as described in paragraph 5.5.2 of CR/ACD/298, the Contractor shall produce and deliver to POCL by 30th October, 1999 the document referred to in that paragraph for review and agreement by 24th November, 1999 and the Contractor shall implement the provisions of that revised document by 24th November, 1999.
- 15.7 When the criteria in paragraph 3.3 and the obligations in paragraph 3.6 shall have been satisfied, POCL will close AIN 298.
16. AIN 314
- 16.1 The Contractor shall produce and deliver to POCL a document entitled "ICL Pathway Generalised API for OPS/TMS" (the "API Document").
- 16.2 The Contractor shall produce the API Document in accordance with sections 2 ("Scope"), 3 ("Document Standards") and 4 ("Content of ICL Pathway Generalised API for OPS/TMS") of Document CR/SPE/007 (Version 0.3) (dated 7th September, 1999) ("CR/SPE/007").
- 16.3 The Contractor and POCL shall review the version of the API Document referred to in sub-paragraph 4.4(A) as described in section 3 of CR/SPE/007.
- 16.4 The Contractor shall produce and deliver the API Document to POCL:
- (A) as a version for review without the "Appendix" (as defined in paragraph 5(A) of CR/SPE/007) before 1st December, 1999;
 - (B) as a revised version without the Appendix incorporating the changes arising from the review referred to in the above sub-paragraph 4.4(A) and paragraph 4.3 as a CCN before 28th December, 1999; and
 - (C) with the Appendix before 1st February, 2000 as a CCN.
- 16.5 POCL will close AIN 314 on approval of the CCN referred to in sub-paragraph 4.4(C).
17. AIN 342

- 17.1 Until 1st October, 1999 the Contractor shall monitor the operation of the procedures detailed in the Acceptance Incident Analysis Form for AIN 342 ("Form 342") under the heading "New Procedures".
- 17.2 The Contractor shall ensure that the daily automatic and email reports described in Form 342 under the headings "Program Changes Required" and "New Procedures" (under sub-heading "b. Central Processing Delays", paragraph 2) are produced.
- 17.3 When the monitoring detailed in paragraph 5.1, or such other monitoring as the parties may agree, demonstrates that AIN 342 has been resolved and the requirements of paragraph 5.2 are being fulfilled, POCL will close AIN 342.
18. AIN 369
- 18.1 Each of the Contractor and POCL shall complete the steps and achieve the objectives applicable to it (the "369 Obligations") detailed in the table (in two parts) extracted from Document BA/ACC/020 (version 0.4) (dated 20th September) ("BA/ACC/020") and where that table identifies one party as fulfilling an action, the other party shall assist the aforementioned party to reach a successful conclusion.
- 18.2 Each of the Contractor and POCL shall complete each of the 369 Obligations applicable to it by 31st December, 1999.
- 18.3 When the 369 Obligations shall have been satisfied by the Contractor and POCL, POCL will close AIN 369.
- 18.4 On the completion of the Contractor's 369 Obligations where the Contractor has taken the lead on actions to be fulfilled (as referred to in BA/ACC/020), POCL shall confirm to the Contractor in writing that such obligations have been completed. However, this confirmation shall not affect any other of the Contractor's obligations to ensure that AIN 369 is ultimately resolved, in accordance with BA/ACC/020.
19. AIN 372
- 19.1 The Contractor shall complete the steps detailed in Document CR/ACD/372 (Version 0.4) (dated 16th September, 1999) ("CR/ACD/372") in paragraph 5.2:
- (A) at sub-paragraph 6 (headed ".dll checking") by the time at which the step detailed in paragraph 7.4 below is completed; and
 - (B) at sub-paragraph 3 by the later of the completion of the steps detailed in sub-paragraphs 7.2(A) and 7.2(B) below plus one week.
- 19.2 The Contractor shall complete the steps detailed in CR/ACD/372 in paragraph 5.2 at sub-paragraph 7, in the case of:

- (A) running the software distribution of the "Riposte Peripheral Server (Update Number 20)" by 16th December, 1999, although the Contractor shall aim to ensure distribution by 30th September, 1999; and
 - (B) running the software distribution of the "Consolidated EPOSS/Counter Applications Upgrade" by 16th December, 1999, although the Contractor shall aim to ensure distribution by 15th October, 1999.
- 19.3 The Contractor shall supply the appropriate supporting documentation as described in paragraph 5.2 of CR/ACD/372 by 1st November, 1999.
- 19.4 The Contractor shall review the software distribution undertaken in pursuance of the above sub-paragraphs 7.2(A) and (B) in accordance with paragraph 5.2.1 of CR/ACD/372 by 16th March, 2000, or if earlier, three months from the date on which the steps detailed in paragraph 7.2 above are both completed.
- 19.5 When the obligations referred to in sub-paragraphs 5.2(3) and 5.2(6) of CR/ACD/372, the software distributions referred to in the above paragraph 7.2, the supply of the supporting documentation referred to in paragraph 7.3 above; and the review of the software distribution referred to in paragraph 7.4 above shall have been completed, POCL will close AIN 372.
20. AIN 376
- 20.1 Each of the Contractor and POCL shall complete the steps and achieve the objectives applicable to it (the "376 Obligations") set out in Document CR/ACD/376 (Version 0.9) (dated 23rd September, 1999) ("CR/ACD/376") and where that document identifies one party as fulfilling an action, the other party shall assist the aforementioned party to reach a successful conclusion.
- 20.2 Each of the Contractor and POCL shall complete each of the 376 Obligations applicable to it by the dates and to the standards set out in CR/ACD/376.
- 20.3 When the TIP Integrity Checking Period ends, POCL will close AIN 376.
21. AIN 378
- 21.1 In accordance with the details set out in the Acceptance Incident Analysis Form for AIN 378 ("Form 378") and in Document CR/ACD/378 (Version 0.3) (dated 16th September, 1999), the Contractor confirms that it has analysed the incidents in Form 378.
- 21.2 The Contractor shall apply a "Diagnostic", which shall be effective by 1st October, 1999, which shall:
- (A) detect and prevent null Cash Account IDs, if necessary by forcing the Outlet to re-run the cash account process; and
 - (B) log diagnostic messages to facilitate further analysis.

- 21.3 After a sufficient level of data has been acquired from the Diagnostic, the Contractor shall promptly determine the cause of TIP 916 and shall promptly apply an appropriate fix and monitor its application until the fix is successful for a continuous period of two weeks.
- 21.4 When the fix referred to in paragraph 9.3 shall have been successful for a continuous period of two weeks, POCL will close AIN 378.
22. AIN 390
- 22.1 As described in the Acceptance Incident Analysis Form for AIN 390 the Contractor shall introduce a facility whereby, subject to paragraph 10.2 below, following a crash of the APS at a counter and when undertaking session recovery or disaster recovery (for those transactions where a system receipt has been produced), the user shall still have the option of reserving a gap of transactions and delaying recovery to a more convenient time.
- 22.2 The facility detailed in the above paragraph 10.1 is subject to the qualification that in the event of a second crash occurring before the initial recovery is completed, the procedure shall be that the clerk shall undertake recovery of all those deferred transactions and then any other transactions that may have occurred as a result of the second crash.
- 22.3 The facility detailed in the above paragraph 10.1 shall be applied by the Contractor to all Outlets to which Roll-Out has occurred as at that date of application by 30th November, 1999 and the Contractor shall then monitor the facility.
- 22.4 When the monitoring referred to in paragraph 10.3 shall have demonstrated over a continuous period of two weeks that resolution of AIN 390 has been achieved, then POCL will close AIN 390.
23. AIN 391
- 23.1 The Contractor shall complete the steps (the "391 Obligations") detailed in paragraphs 5.1.2 and 5.2 of Document CR/ACD/391 (Version 1.0) (dated 13th September, 1999) ("CR/ACD/391") and POCL shall comply with its obligations under paragraph 5.2 of CR/ACD/391.
- 23.2 The Contractor shall complete the 391 Obligations in accordance with the timetable and standards set out in paragraphs 5.1.2 and 5.2 of CR/ACD/391.
- 23.3 When the obligations (with the exception of the obligations relating to timetable) detailed in paragraphs 11.1 and 11.2 shall have been completed, POCL will close the incident.
24. AIN 408
- 24.1 Each of the Contractor and POCL shall complete the outstanding steps applicable to it (the "408 Obligations") set out in the table in paragraph 5.4 of Document CR/ACD/408 (Version 1.5) (dated 23rd September, 1999) ("CR/ACD/408").

- 24.2 Each of the Contractor and POCL shall complete to a satisfactory standard the 408 Obligations applicable to it in accordance with the timetable set out in the table in paragraph 5.4 of CR/ACD/408.
- 24.3 When the obligations (with the exception of the obligations relating to timetable) detailed in paragraphs 12.1 and 12.2 shall have been completed, POCL will close the AIN 408.
- 25. AIN 412
 - 25.1 Each of the Contractor and POCL shall complete the steps and objectives applicable to it (the "412 Obligations"), and all intermediate actions required to achieve those steps, set out in the table at Section 6 of Document CR/ACD/412 (Version 0.2) (dated 10th September, 1999) ("CR/ACD/412") and (with the exception of item 1 in that table) as described in more detail in section 5 of CR/ACD/412.
 - 25.2 Each of the Contractor and POCL shall complete to a satisfactory standard the 412 Obligations applicable to it (and all intermediate steps and objectives) in accordance with the timetable set out at Section 6 of CR/ACD/412.
 - 25.3 When the obligations (with the exception of the Obligations relating to timetable) detailed in paragraphs 13.1 and 13.2 shall have been completed, POCL will close incident 412.

SCHEDULE 3**Revised Roll Out Programme****"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
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
22/09/00	306
18/09/00	306
25/09/00	306
02/10/00	306
09/10/00	306
16/10/00	306
23/10/00	306
30/10/00	306
06/11/00	306
13/11/00	306
20/11/00	306
27/11/00	306
04/12/00	306
11/12/00	0
18/12/00	0
25/12/00	0
01/01/01	0
08/01/01	306
15/01/01	306
22/01/01	306
29/01/01	306
05/02/01	306
12/02/01	290
19/02/01	275
26/02/01	265
05/03/01	237
Sub total	17,797

Part B

**Outlets to be Rolled Out under
Operational Business Change**

Week Commencing	Number of Outlets (inc. live trial)
12/03/01	165
19/03/01	120
26/03/01	100
02/04/01	85
09/04/01	63
16/04/01	50
23/04/01	30
30/04/01	22
07/05/01	20
14/05/01	18
21/05/01	16
28/05/01	15
04/06/01	14
11/06/01	12
Sub total	730
National Roll Out Total	18,527

SCHEDULE 4**Acceptance Incident Rectification Criteria****Part A****System Stability (A.I. 298)**

26. The criterion shall be measured in relation to the Counter Positions in those Outlets to which Rollout shall have occurred by 1st October, 1999, provided that that is not less than 750 Outlets. If that shall be less than 750 Outlets then the criterion shall be measured in relation to the Counter Positions in those Outlets in respect of which Rollout shall have occurred at the end of the week in which Rollout shall have occurred in relation to 750 Outlets. For this purpose a "week" is a week commencing on a date specified in the first column of the Rollout Programme and the number of Outlets shall include the live trial Outlets.
27. The criterion to be met by 24th November, 1999 shall be that during the period from 18th October, 1999 until 14th November, 1999 the total number of Units reported to the Help Desk in relation to the relevant Outlets shall not exceed the aggregate number of Counter Positions in those Outlets multiplied by the fraction 4/13.
28. For this purpose a Unit shall be measured as follows:-
- (i) each Help Desk authorised reboot shall count as one Unit;
 - (ii) each Help Desk authorised office snapshot print preview shall count as one Unit;
 - (iii) each work-around authorised by the Help Desk to remove a "no entry" sign which denies a legitimate function shall count as half a Unit;
 - (iv) each work-around 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 less than 4 minutes shall count as half a Unit.
 - (v) each work-around 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 4 minutes or longer shall count as one Unit; and

Part B**TIP Interface Accounting Integrity (A.I. 376)**

The criteria to be met by 24th November, 1999 shall be as follows:-

- (i) during the period from 3rd October, 1999 until 14th November, 1999 the percentage of Cash Accounts received by POCL across the TIP Interface containing Cash Account Discrepancies shall not exceed 0.6 per cent of all such Cash Accounts;
- (ii) during the period from 3rd October, 1999 until 14th November, 1999, no Cash Account Discrepancy shall arise as a result of a cause previously reported to POCL as having been remedied;
- (iii) all new causes of Cash Account Discrepancies identified after the date of this Agreement shall have been properly analysed by the Contractor and suitable rectification plans therefor submitted to POCL in reasonable detail within ten days of the Contractor becoming aware of such Cash Account Discrepancy;
- (iv) The Contractor shall have satisfied POCL (POCL acting reasonably) that the Accounting Integrity Control Release would, had it been deployed at the relevant time, have identified all Cash Account Discrepancies reported prior to 24th November, 1999 which shall have arisen as a result of any new cause identified after the date of this Agreement; and
- (v) those elements of the Rectification Plan for Acceptance Incident 376 required to have been carried out by 24th November, 1999 shall have been duly carried out.

Part C

Helpdesk Performance (A.I. 408)

The criteria to be met by 24th November, 1999 are as follows:-

(a) Service Targets

That each of the following service targets, measured on a weekly basis, shall be met in at least four of the six weeks which fall between 4th October, 1999 and 14th November, 1999 (but so that not all such service targets have to be met in the same four weeks):-

- (i) that part of the service target referred to in paragraph 4.3.2.1 of Schedule G10 to the Codified Agreement as refers to the answering of at least 80% of all calls to the Help Desk within 20 seconds;
- (ii) the service target contained in paragraph 4.3.2.3 of the said Schedule G10;
- (iii) the service target contained in paragraph 4.3.2.4 of the said Schedule G10;
- (iv) the service targets contained in paragraph 4.3.2.5 of the said Schedule G10; and
- (v) the service targets contained in paragraph 4 of Schedule 5.

Part D

TIP Interface
Accounting Integrity (A.1.376)

The criteria to be met by 14th January, 2000 are as follows:-

- (i) during the period from 3rd October, 1999 until 14th January, 2000 the percentage of Cash Accounts received by POCL across the TIP Interface containing Cash Account Discrepancies shall not exceed 0.6 per cent. of all such Cash Accounts;
- (ii) during the period from 3rd October, 1999 until 14th January, 2000 no Cash Account Discrepancy shall arise as a result of a cause previously reported to POCL as having been remedied; and
- (iii) all new causes of Cash Account Discrepancies identified after the date of this Agreement shall have been properly analysed by the Contractor and suitable rectification plans therefor submitted to POCL in reasonable detail within ten days of the Contractor becoming aware of such Cash Account Discrepancy.

SCHEDULE 5**Additional Obligations**1. System Stability

A new paragraph 4.6 shall be added to Schedule G10 to the Codified Agreement as follows:-

"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.
- 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 count position per month.

2. Training

A new obligation shall be imposed upon the Contractor as follows:-

"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, version 0.2 - specification of pre-entry event;
- (ii) with effect from the date of this Agreement deploy the processes and procedures set out in the document IM/PRD/066, version 0.2 - Monitoring of Trainer Quality;
- (iii) with effect from 27th October, 1999, implement the new P.S.A. process defined in the document entitled Pathway Performance Standard Assessment Proposal, Low Level Plan.

3. Monitoring of Non-Polled Outlets

A new obligation shall be imposed on the Contractor to operate, with effect from the date of closure of Acceptance Incident 342, the new reporting process described in CP2078, which will produce an automatic report of Outlets in respect of which there is no End of Day marker in the central journal file and shall ensure that such report is e-mailed daily to the Business Support Unit and logged with the Help Desk for immediate investigation.

4. Help Desk Service Targets

New paragraphs 4.3.2.7, 4.3.2.8 and 4.3.2.9 shall be added to Schedule G10 to the Codified Agreement as follows:-

- "4.3.2.7 100% of calls made to the Help Desk seeking advice and/or guidance relating to cash accounts shall be answered and satisfactorily dealt with, as and when first received, by personnel skilled in providing such advice and/or guidance.
- 4.3.2.8 No call will be made to the Help Desk from any Outlet seeking the same advice or guidance in relation to a cash account as another call from the same Outlet in the same accounting period.
- 4.3.2.9 Approved call scripts shall be correctly followed by Help Desk staff in 95% of all calls, as measured by reviews of call records carried out from time to time by POCL."

Signed by
for and on behalf of)
POST OFFICE COUNTERS)
LTD. in the presence of:-)
)
)

Signed by
for and on behalf of)
ICL PATHWAY LIMITED)
in the presence of:-)
)
)

CHANGE CONTROL NOTE

ID: PWY_CCN_560 CCN:0560 Create Date: 15-OCT-1999 19:09:10
Status: APPROVED Originator: Lisa Burchell (CHG/DOC MGMT)

=====

Title:

Second Supplemental Agreement

Main Description:

Related Parts

0 PWY:CCN.A;1 Lisa Burchell (CHG/DOC MGMT)
 (CHANGE_MANAGEMENT)
 Change Control Notes

Related Items

Info

3 PWY:CCN_00560_1.A-CDATTACH;1 (Info) Lisa Burchell (CHG/DOC MGMT)
 (CCN_00560_1.zip)
 CCN 00560 ATTACHMENT 1

Related Child Change Documents:

Related Parent Change Documents:

Action Messages

Action History

1 15-OCT-1999 19:09:10 Lisa Burchell (CHG/DOC MGMT)
 BURCHELL CC / DC
 Document created

2 15-OCT-1999 19:09:20 Lisa Burchell (CHG/DOC MGMT)
 BURCHELL CC / DC
 Actioned document from RAISED to APPROVED

3 15-OCT-1999 19:16:42 Lisa Burchell (CHG/DOC MGMT)
 BURCHELL CC / DC
 Actioned document from APPROVED to RAISED

4 15-OCT-1999 19:16:51 Lisa Burchell (CHG/DOC MGMT)
 BURCHELL CC / DC

Actioned document from RAISED to APPROVED

Update History

- =====
- 0 15-OCT-1999 19:09:10 Lisa Burchell (CHG/DOC MGMT)
BURCHELL CC / DC
Related Design Part PWY:CCN.A;1
 - 3 15-OCT-1999 19:16:46 Lisa Burchell (CHG/DOC MGMT)
BURCHELL CC / DC
Related Item PWY:CCN_00560_1.A-CDATTACH;1 (Information)
 - 4 09-OCT-2000 13:02:07 PCMS - CM Dept.
PCMS SCM
Request attribute(s) updated
 - 4 01-JUL-2003 18:55:17 Neil.Tuffs: **GRO**
TUFFSN
Request attribute(s) updated

Archived Attribute Information

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AUTH_APPR_RQD=NO

----- END OF CHANGE CONTROL NOTE PWY_CCN_560 -----