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**SCHEDULE E****TERMINATION AND THE EXIT PLAN****Version History**

Version No.	Date	Comments
1.0	31/08/06	Agreed version as at date of signature of CCN 1200
1.1	26/09/06	Minor corrections by PO
1.2	11/10/06	Further minor corrections from FS
1.3	05/12/06	Minor corrections by PO
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## **SCHEDULE E**

### **TERMINATION AND THE EXIT PLAN**

#### **1. INTRODUCTION**

1.1 This Schedule E covers the principles, responsibilities and payments related to termination of this Agreement, expiry of an Expiring Service, Partial Termination and termination of Project HNG-X.

#### **1.2 Termination of this Agreement**

1.2.1 For the purpose of this Schedule E, termination of this Agreement includes:

- (a) termination of this Agreement before its expiry due to Fujitsu Services' Default pursuant to Clause 47.2;
- (b) termination of this Agreement before its expiry without Fujitsu Services' Default; and
- (c) termination of this Agreement at its expiry.

1.2.2 Both Parties agree that the risk profile during the term of this Agreement should remain broadly constant and that the hardware and software used to provide the Services should be upgraded if required to remain within support. The responsibility for procuring upgrades to hardware and software components remains with Post Office. As such Post Office shall agree to maintain the risk profile broadly as at the date of the CCN 1600 and that the hardware and software used to provide the Services should be upgraded if required to remain within support via:

(a) a revision and re-planning work with respect to R&R2 project (CT1848) (such as using Redhat 7 operating system to ensure security to 2022) , which shall be agreed by the Parties via a further CT document;

(b) a third risk and resilience project (referred to as "Trinity 3"); the precise detail of which is yet to be agreed upon completion of a technical roadmap, but shall broadly address the following:

- (i) refresh of Brocade SAN switches;
- (ii) refresh of 15-30 discrete servers;
- (iii) refresh or upgrade of Debit Card connectivity (BT are expected withdraw kilostream technology in 2018);
- (iv) refresh or upgrade of Systems Management EFS servers (for Horizon Anywhere Gaps proposal);



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- (v) DC facilities chillers and security systems; and
- (vi) Cisco and additional applications; and

in addition it may address:

- (i) Oracle DB/OEL upgrade. The current version goes end of life December 2020. All the security appliances will need refreshing. McAfee expires December 2019, Bluecoat 2018

In scoping "Trinity 3" the following assumptions were made:

- (i) the full deployment of Horizon Anywhere and the completion of the Branch Network service migration to a third party by 31st March 2017 and the successful completion of the R&R2 programme (as amended);
- (ii) An expiry date on the Agreement of 31st March 2022;
- (iii) Blades & Storage (expiry range 2019-2021) – Assumption is Fujitsu can secure extended support to March 2022. (Final agreement to be agreed);
- (iv) FCN connectivity will be available for the duration;
- (v) Windows 2012 & 10 will last until March 2022 (part of current R&R2 programme);
- (vi) Horizon Anywhere Bluecoat appliances – assumed to last to 2022;

In addition, it is assumed that Fujitsu and Post Office will agree a change to the current R&R2 programme (CT1848) to retarget RHEL7 – it is currently delivering RHEL6.

As a consequence of assumption (ii) above, it is agreed that Trinity 3 will need to be reviewed to include any refresh and upgrade activities required to ensure hardware and software (including operating systems) used remain in support through to 31st March 2023 and Post Office will be responsible for procuring (and paying for) any additional hardware and software (including operating system).; and

(c) the extension of Test Rigs, as described and defined in CCN 1420a, to 31 March 2022.

Both Post Office and Fujitsu Services shall act reasonably in agreeing the above projects. In the event that the Parties fail to reach agreement as to the commercial terms and/or the relevant project is cancelled or the Test Rigs service is terminated, then to the extent to which the Services are impacted by this failure and/or termination, such Services shall be delivered by Fujitsu Services on a

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reasonable endeavours basis and all associated Service Levels shall also become reasonable endeavours obligations.

1.2.3 Notwithstanding paragraph 1.2.2, both parties acknowledge that they may agree to an alternative approach (both acting reasonably) to enacting a third R&R project and as such use the capital investment from the Post Office in other ways. This shall be subject to the agreement by both Parties and the default position shall remain (unless otherwise agreed) that where these projects are not contracted or delivered, the delivery of the affected Service reverts to a reasonable endeavours basis.

1.2.4 With respect to the Oracle database elements of the Data Centre Operations Services only, in the event that the Oracle database goes out of Oracle extended support then the provisions of paragraph 6.1 of Schedule D1 shall apply.

### 1.3 Partial Termination

1.3.1 For the purpose of this Schedule E, Partial Termination includes:

- (a) termination by Post Office of one or more Terminable Service(s) in relation to Market Testing pursuant to Clause 47.10.1 (where paragraph 4.3.3(b)(ii) of Schedule D6 applies); and
- (b) termination by Post Office of one or more Terminable Service(s) for convenience pursuant to Clause 47.10.2;

### 1.4 Termination of Project HNG-X

1.4.1 For the purpose of this Schedule E, termination of Project HNG-X includes:

- (a) termination of Project HNG-X due to Fujitsu Services' Default pursuant to Clause 47.11.1;
- (b) termination of Project HNG-X for convenience pursuant to Clause 47.11.2;
- (c) automatic termination of Project HNG-X in accordance with Clause 47.15.

1.5 In any of the termination scenarios set out in paragraphs 1.2 and 1.3 (but not in the case of termination of Project HNG-X as referred to in paragraph 1.4) Post Office may seek to obtain the delivery of Replacement Services under this Agreement or seek to continue the Relevant Services after termination, in each case either by performing them itself or by means of the Next Supplier.

1.6 The Parties acknowledge that it is their overall objective in relation to termination of the Agreement, expiry of an Expiring Service and Partial Termination to procure, so far as is reasonable and practicable, that there shall be an orderly transfer of responsibilities for the delivery of the Relevant Services provided under this Agreement or an orderly and efficient transition from the provision of the Relevant Services to the provision of

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Replacement Services (as the case may be) to the Next Supplier and that any risk to or adverse effect on the continuity and quality of the Services during such transfer shall be minimised.

- 1.7 The purpose of this Schedule E is to:
- 1.7.1 set out certain principles governing Partial Termination;
  - 1.7.2 set out the main steps to be followed on termination of this Agreement, Partial Termination and/or termination of Project HNG-X;
  - 1.7.3 set out the assistance that Fujitsu Services shall provide to Post Office and/or its Next Supplier with the intention of helping them (if it is Post Office's chosen strategy to do so) put themselves in a position to commence performance of Replacement Services promptly upon expiry of this Agreement or as soon as reasonably practicable after completion of any period of notice of termination given by Post Office to Fujitsu Services; and
  - 1.7.4 set out the Parties' obligations with respect to the development and maintenance of the Exit Strategy and the Exit Plans.
- 1.8 Notwithstanding any provisions of this Schedule E to the contrary, if this Agreement is terminated for Post Office Default under Clause 47.4, Fujitsu Services shall not be obliged to develop or implement the General Exit Plan or the HNG-X Exit Plan.

**2. PARTIAL TERMINATION**Partial Termination Principles

- 2.1 Post Office shall not be entitled to terminate any Terminable Service under Clause 47.10.1 or 47.10.2 prior to the date or event specified in relation to that Terminable Service in the column headed "Date or Event from which termination can be effective." in the table set out in Annex 1 of this Schedule E.
- 2.2 Following service of a notice duly served under Clause 47.10.1 or 47.10.2, the Parties shall assess the impact of the relevant Partial Termination upon the rest of this Agreement in order to agree under the Change Control Procedure (such agreement not to be unreasonably withheld or delayed) any consequential changes to this Agreement necessary to deliver the Services continuing after such Partial Termination including, without limitation, the changes necessary to address:
- 2.2.1 the relevant indicative impacts listed in the table at Annex 1 to this Schedule E;
  - 2.2.2 relevant dependencies and interfaces with other Operational Services identified in the CCD (referred to in Schedule B3.1) that describes the Terminable Service to be terminated;

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- 2.2.3 the impact on Fujitsu Services' ability to achieve any Service Level or other obligations the achievement of which is linked to or dependent upon the Terminable Service to be terminated;
  - 2.2.4 any dependencies that Post Office shall fulfil or responsibilities that Post Office shall perform in relation to the impacts referred to in paragraphs 2.2.1, 2.2.2 or 2.2.3;
  - 2.2.5 the transfer pursuant to Clause 48 of ownership of any Project Assets from Fujitsu Services to Post Office or the Next Supplier, the removal of such assets from the Infrastructure and any consequent transfer of liability or risk in respect of such Project Assets;
  - 2.2.6 as contemplated by Clause 43.4, any qualifications and/or exceptions to Clause 43.1 necessary to reflect the transfer of risk and/or control in relation to system or operational security from Fujitsu Services to Post Office or the Next Supplier taking into account:
    - (a) any new security related responsibilities taken on by Post Office pursuant to paragraph 2.2.4; and
    - (b) the level of security provided by the Replacement Interfaces; and
  - 2.2.7 the matters referred to in paragraph 2.5.2, if Post Office shall have given a direction pursuant to paragraph 2.5.
- 2.3 In the case of Partial Termination pursuant to Clause 47.10.1 (where paragraph 4.3.3(b)(ii) of Schedule D6 applies), the objective of paragraph 2.2 shall insofar as it relates to this Agreement be to give effect to the supply by the winning tenderer to Post Office of Replacement Services and documenting the technical and operational interfaces between those Replacement Services and the continuing Services provided by Fujitsu Services based on the specifications for such interfaces that formed part of the tender process and were prepared with Fujitsu Services' input and assistance pursuant to paragraphs 6.4 to 6.6 (inclusive) of Schedule D6.
- 2.4 If and to the extent that the Parties fail to reach agreement under the Change Control Procedure pursuant to paragraph 2.2 by the date the Terminable Service in question is terminated:
- 2.4.1 the Parties shall each use all reasonable endeavours to reach agreement such that all the matters referred to in paragraph 2.2 are addressed;
  - 2.4.2 with effect from the date of such termination, Fujitsu Services shall perform the obligations and achieve the Service Levels applicable in relation to all continuing Services ("Continuing Obligations") to the extent it reasonably can do so, taking into account those aspects of the performance of that Terminable Service upon which Fujitsu Services' performance of the Continuing Obligations depends; and



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2.4.3 to the extent such failure to reach agreement is in relation to the qualifications or exceptions to Clause 43.1 referred to in paragraph 2.2.6 or security related responsibilities to be performed by Post Office, with effect from the date of such termination Post Office shall be responsible for ensuring to the extent that it or a Next Supplier:

- (a) establishes the Replacement Interfaces, that the Replacement Interfaces are secure; and/or
- (b) operates or provides technical or service linkages to the Replacement Interfaces, that such operation and linkages are performed in a secure manner,

in each case in accordance with the levels of security and the standards of skill, care and diligence that would be reasonably expected to be applied in relation to the relevant Replacement Service taken on by a supplier of IT services using good industry practice and adopting any enhanced security measures that such a supplier could reasonably be expected to adopt if such supplier provided an indemnity to Post Office in the same form as that set out in Clause 43.1 (but subject to the same limitations or exclusions of liability set out in Clauses 43 and 44) in respect of the provision of that Replacement Service.

Any Disputes in relation to this paragraph 2.4 shall be resolved in accordance with the Dispute Resolution Procedure.

2.5 In the case of Partial Termination pursuant to Clause 47.10.1 (where paragraph 4.3.3(b)(ii) of Schedule D6 applies) the Parties may agree or Post Office may direct that Fujitsu Services as the provider of the Third Party Management Services shall be responsible for the management of the provision by the winning tenderer of the Replacement Services, in which case:

- 2.5.1 the Charges which shall be paid by Post Office to Fujitsu Services for the provision of the Third Party Management Services in respect of such Replacement Services shall be as set out in paragraph 9 of Schedule D1; and
- 2.5.2 any variations that may be required to the provisions in this Agreement relating to the Third Party Management Services to give effect to such direction by Post Office shall be agreed under the Change Control Procedure. In the absence of such agreement the provisions of the CCD entitled "Third Party Management Service: Service Description" (SVM/SDM/SD/0021) shall apply.

Interface Costs

2.6 Interface Costs incurred following Partial Termination shall be borne as follows:

- 2.6.1 in the case of Partial Termination under Clause 47.10.1 (Market Testing), where Replacement Services are provided by Post Office or a third party:

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- (a) all Interface Establishment Costs reasonably incurred by Fujitsu Services shall be reimbursed by Post Office to Fujitsu Services; and
  - (b) where Fujitsu Services manages the provision of those Replacement Services as part of the Third Party Management Service, all Interface Operational Costs shall, subject to paragraph 9.3 of Schedule D1, be borne by Fujitsu Services; and
- 2.6.2 in the case of Partial Termination under Clause 47.10.2 (Convenience), where Replacement Services are provided by Post Office or a third party:
- (c) an amount equal to all Interface Establishment Costs reasonably incurred by Fujitsu Services, multiplied by 100 and divided by 78, shall be paid by Post Office to Fujitsu Services; and
  - (d) where Fujitsu Services manages the provision of those Replacement Services as part of the Third Party Management Services, all Interface Operational Costs shall, subject to paragraph 9.3 of Schedule D1, be borne by Fujitsu Services.
- 2.7 Any reference in this Schedule E to Fujitsu Services bearing Interface Costs shall be without prejudice to any right that Fujitsu Services may have under Schedule D1 to charge the Charges payable by Post Office in connection with the management by Fujitsu Services of any Replacement Services.

**3. ASSET REGISTER, EXIT STRATEGY AND EXIT PLANS**

- 3.1 The Asset Register, Exit Strategy and Exit Plans shall be developed and maintained in accordance with this paragraph 3

**3.2 Phase One**

- 3.2.1 Between the date of signature of CCN 1200 and 31 March 2007 and again between 1 April 2007 and three months after the date of commencement of HNG-X Project Workstream X3 (HNG-X Pilot and Acceptance), Fujitsu Services shall (which in respect of the Terminable Services individually, shall mean to the extent reasonably possible) update the list of assets in each of the categories of assets identified in the CCD entitled "Transfer Asset Register" (COM/MGT/REP/0001) (the "Asset Register") at the level of detail and giving such information in each case as envisaged by version 5.0 of that CCD and Clause 48.6;

- 3.2.2 Within six months of the date of signature of CCN 1200:

- (a) Fujitsu Services shall update the Exit Strategy to include all of the matters set out in paragraph 3.2.3; and
- (b) the Parties shall, in light of the Exit Strategy updated in accordance with paragraph 3.2.2(a), consider the Exit Plans in Annexes 2 and 3 to this Schedule and update them to identify at a high level any additional



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activities which the Parties agree are required in relation to termination of this Agreement, Partial Termination and/or termination of Project HNG-X, the detail of such activities to be included in the appropriate Exit Plan in Phase Two.

3.2.3 The Exit Strategy shall:

- (a) set out a generic description of all probable post termination scenarios relevant to this Agreement (each an "Exit Scenario") including, without limitation, the following:
  - (i) full or partial continuation of services substantially the same as the Relevant Services by the Next Supplier;
  - (ii) full or partial provision of equivalent services by the Next Supplier fully or partially utilising the Infrastructure;
  - (iii) full or partial provision of equivalent services by the Next Supplier utilising an entirely new infrastructure; and
  - (iv) continued provision of the Services by Fujitsu Services following termination of Project HNG-X;
- (b) identify the major factors which are common to all the Exit Scenarios and those which occur in some only of the Exit Scenarios;
- (c) set out the roles and responsibilities of the Parties in the development of the Exit Plans in Phase Two;
- (d) set out in broad and general terms:
  - (i) the categories of information that will be required for exit, distinguishing between those categories which will be required in all probable Exit Scenarios and those which will be required only in particular Exit Scenarios; and
  - (ii) the sources of such information and how it will be provided.

3.2.4 After the Asset Register has been updated in accordance with paragraph 3.2.1 and the Exit Strategy established in accordance with paragraph 3.2.2, the Parties shall thereafter jointly review and update the Asset Register and/or the Exit Strategy once in every twelve months or if the Commercial Leads decide it is necessary to do so as a result of significant changes to the Services. If the Asset Register or the Exit Strategy is brought up to date following a change to the Services, then that document need not be brought up to date for a further twelve months unless the Commercial Leads decide otherwise.

3.3 Updated Asset Register and Exit Strategy for transition

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- 3.3.1 Fujitsu Services shall provide an updated version of the Asset Register to Post Office by 30<sup>th</sup> April 2013 which they shall keep up to date throughout the remainder of the Term in accordance with the terms of the Agreement.
- 3.3.2 Fujitsu Services shall provide an updated version of the Exit Strategy document to Post Office by 31st October 2013, such version to take into account Post Office's intention to transition to a Towers Model.
- 3.3.3 For the avoidance of doubt, Fujitsu Services shall not charge Post Office for the production of the updated versions of the Asset Register and Exit Strategy in accordance with paragraphs 3.3.1 and 3.3.2 above.

#### 3.4 Exit Plans for transition

- 3.4.1 Fujitsu Services shall, within 2 months of receipt of a request from Post Office, provide to Post Office part 1 of the Exit Plan (excluding aspects of the Exit Plan which are dependent on the identity of the Next Supplier) for such Services as Post Office may specify.
- 3.4.2 Fujitsu Services shall provide to Post Office part 2 of the Exit Plan (including aspects of the Exit Plan which are dependent on the identity of the Next Supplier) following notification to Fujitsu Services by Post Office as to who the Next Supplier is and the nature of the transition process that Post Office and the Next Provider requires. Fujitsu Services shall provide part 2 of the Exit Plan within 2 months of receipt of this notification from Post Office provided that, subject to paragraph 3.4.3 below, such notification is received 2 months or longer after the date the request for the part one of the Exit Plan was made in accordance with paragraph 3.4.1 (i.e. the creation of part one of the Exit Plan and part two of the Exit Plan shall not run concurrently). For the avoidance of doubt, Post Office shall provide this information on or before the date it gives written notice of termination of the Terminable Service.
- 3.4.3 For the avoidance of doubt, Post Office may elect to request only part 2 of the Exit Plan (without requesting part 1) by notifying Fujitsu Services who the Next Supplier is and the nature of the transition process that Post Office and the Next Provider requires. In the event that Post Office requests part 2 of the Exit Plan only, Fujitsu Services shall provide such Exit Plan in accordance with paragraph 3.4.2 above including all aspects of the Exit Plan which are dependent and which are not dependent on the identity of the Next Supplier.
- 3.4.4 Post Office shall not make a request for an Exit Plan for the following Services in accordance with paragraph 3.4.1 or 3.4.2 above earlier than
  - (a) for an Expiring Service, 24 months prior to the expiry date of such Expiring Service;
  - (b) for a Service other than an Expiring Service, 36 months prior to the expiry date of such Service;

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(c) for a Terminable Service in the event of termination, within one week after notice of termination of such Terminable Service; or

(d) for any Service in the event of termination, within one week after notice of termination of this Agreement.

3.4.5 Following any request for an Exit Plan, Fujitsu Services shall provide reasonable assistance to Post Office for the purposes of determining the implications at that time of the Exit Scenarios.

3.4.6 The Parties shall work together in good faith to review and revise (if appropriate) part one and part two of the Exit Plan to Post Office's reasonable satisfaction within 2 months of receipt by Fujitsu Services of Post Office's request for each Exit Plan.

3.5 Charges for development of Exit Plans

3.5.1 All work performed by Fujitsu Services in writing and reviewing any Exit Plans associated with any Expiring Service (but excluding the Part 1 Plan for the Operational Business Change (Branch Change) Service and the Branch Network Service) shall be performed by Fujitsu Services for no additional charge. For the avoidance of doubt, this includes Exit Plans prepared after 31<sup>st</sup> March 2015.

3.5.2 All work performed by Fujitsu Services in writing and reviewing any Exit Plans associated with any Service including the Branch Network Service but excluding any other Expiring Service shall be chargeable by Fujitsu Services in accordance with the Rate Card.

3.6 Each Exit Plan produced by Fujitsu Services shall:

(a) include all of the matters referred to in paragraph 3.8; and

(b) be documented in a CCD which, in respect only of the Relevant Services to which it relates, shall supersede and replace Annexes 2 and 3 to this Schedule E.

3.7 Fujitsu Services shall ensure that each Exit Plan produced in accordance with paragraphs 3.4.1 and 3.4.2 is kept up-to-date on a general basis and takes account of any significant changes to this Agreement.

3.8 Each Exit Plan produced in accordance with paragraphs 3.4.1 and 3.4.2 shall cover:

(a) the duties, roles and responsibilities of the Parties;

(b) the practical steps needed to be taken by Fujitsu Services and Post Office;

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- (c) the relevant time scales and milestones;
- (d) in the case of termination or expiry of the Agreement or termination of a Terminable Service or expiry of an Expiring Service, each of the matters set out in Annex 2 to this Schedule E;
- (e) in the case of termination of Project HNG-X, each of the matters set out in Annex 3 to this Schedule E; and
- (f) in all cases to the extent not covered by the matters referred to in (d) or (e) (as applicable), each of the matters referred to in paragraph 3.9 which are applicable to the Exit Strategy.

**3.9 Matters for inclusion in the Exit Plan:**

- (a) Post Office's procurement exercises (if any) associated with the Proposed Exit Strategy (if and to the extent that Post Office shall have provided details of such exercises to Fujitsu Services);
- (b) information about all of the matters covered by Clause 48 (at a level adequate to enable structured planning and transition) including:
  - (i) transfer and/or return (as appropriate) of the various assets (including Project Assets) and Property of any member of the Royal Mail Group;
  - (ii) granting of licences by Fujitsu Services;
  - (iii) transfer of agreements potentially to be assigned, novated or otherwise transferred;
  - (iv) access to such source code as Post Office is entitled to have access upon termination of the Relevant Services and documentation;
  - (v) provision of assistance by Fujitsu Services up to the date of termination of this Agreement, the Terminable Service(s) in question or Project HNG-X or date of expiry of the Expiring Service(s) (as applicable);
  - (vi) provision of assistance to the Next Supplier (if any) by Fujitsu Services after the date of termination of this Agreement or the Terminable Service in question; and
  - (vii) the handling of Fujitsu Services employees to whom employment is to be offered under Clause 48.4.3 and those employees who shall transfer pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006, including (as a minimum) information on employee terms of employment in relation to each employee to whom the offer is



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made and those to whom the Transfer of Undertakings (Protection of Employment) Regulations 2006 applies;

- (c) procedures and arrangements (if any) that are reasonably necessary to decommission the Infrastructure and/or Relevant Services or elements thereof in order to effect an orderly transfer on termination or expiry;
- (d) run-down of Relevant Services and transition from the Relevant Services to Replacement Services;
- (e) responsibilities in relation to handling any due diligence exercises to be carried out by potential Next Suppliers, including access to information, the relevant Infrastructure and Fujitsu Services and Fujitsu Services' sub-contractor personnel;
- (f) provision of information relating to on-going performance and issues in relation to the Relevant Services (including performance statistics and details of any outstanding Incidents); and
- (g) in the event of termination of a Terminable Service, the changes to this Agreement (if any) necessary to enable Fujitsu Services to continue providing the remaining Services and the identification of any dependencies that will need to be satisfied by Post Office or the Next Supplier for the continued provision of the remaining Services, all of which shall be dealt with under the Change Control Procedure.

3.10 The Exit Strategy and the Exit Plans shall at all times be developed and revised by agreement between the Parties under the Change Control Procedure such that they are consistent with the principles set out in this Schedule E (as it may be amended from time to time under the Change Control Procedure).

3.11 Each Party shall act and negotiate reasonably in agreeing the contents of the Exit Strategy and the Exit Plans and shall not unreasonably require the exclusion of matters which the other Party reasonably requests should be included or the inclusion of matters which the other Party reasonably requests should be excluded.

3.12 Any failure to agree the Exit Strategy or a revision to the Exit Plans shall not prejudice the rights and/or obligations of either Party pursuant to this Schedule.

3.13 Fujitsu Services and Post Office will discharge their respective responsibilities and perform their obligations as set out in this Schedule and, when required by the Exit Strategy or Exit Plans, in accordance with that document.

3.14 To the extent that there is an inconsistency between the terms of the Exit Strategy or Exit Plans and this Schedule then, unless expressly stated otherwise in this Schedule, the terms of this Schedule shall prevail.

#### **4. NEXT SUPPLIERS**

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- 4.1 Subject to Post Office procuring that each bona fide potential Next Supplier and/or Next Supplier enters into an Agreed Form NDA or any other form of non-disclosure agreement mutually agreed by Post Office, Fujitsu Services and such bona fide potential Next Supplier and/or Next Supplier, Fujitsu Services will:
- 4.1.1 Provide Post Office with reasonable information and assistance in relation to Post Office's tender process conducted for the provision of services (i) to replace the Relevant Services or the performance of the Relevant Services by a replacement contractor; and/or (ii) in relation to any Tower;
- 4.1.2 During any tender or due diligence process:
- (a) provide bona fide potential Next Suppliers with access to personnel, data and information (via either a real or virtual data room); and
- (b) co-operate with bona fide potential Next Suppliers,
- in order to enable Post Office to run a procurement process in compliance with the Public Contracts Regulations 2006 (in particular without limitation Regulation 4(3) of the Public Contracts Regulations 2006) for all bona fide potential Next Suppliers (which may include Fujitsu Services).
- 4.1.3 During any transition, implementation and operational phase by Next Supplier(s), grant rights of access to relevant assets (including remote access for IT related assets), premises, subcontractor contracts and third party contracts.
- For the avoidance of doubt, to the extent to which such information provision, support and/or assistance in accordance with this paragraph 4.1 results in Fujitsu Services incurring additional costs which it is able to evidence are over and above the Charges and in particular without limitation are not a second charge for obligations already set out in the Agreement (including but not limited to keeping documentation up to date) such costs shall be recoverable from the Post Office."
- 4.2 Post Office may at any time by notice to Fujitsu Services nominate the Person to be the Next Supplier. Post Office shall procure that on each occasion it appoints a Next Supplier, such Next Supplier shall enter into an Agreed Form NDA or any other form of non-disclosure agreement mutually agreed by Post Office, Fujitsu Services and such Next Supplier. Fujitsu Services shall not be liable for any breach of this Agreement to the extent caused by the Next Supplier.
- 4.3 Where Post Office appoints or intends to appoint a Next Supplier, Post Office shall be responsible for liaising with and ensuring the co-operation of such Next Supplier in all planning and handover activities in respect of exit transition and where obligations in the General Exit Plan which fall to Post Office are due to be performed by or with the co-operation of the Next Supplier, such obligation will be deemed to include an obligation on the Post Office to procure such performance or co-operation from the Next Supplier.
- 4.4 Where, following Partial Termination, Relevant Services are provided by a Next Supplier and managed by Fujitsu Services pursuant to the Third Party Management Service, Post



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Office shall procure that all information reasonably required by Fujitsu Services to perform its obligations in respect of such Third Party Management Service is provided to Fujitsu Services as soon as reasonably practicable.

**5. OTHER EXIT ASSISTANCE**

5.1 Fujitsu Services shall use all reasonable endeavours to procure an orderly and efficient transition from the provision of the Relevant Services to the provision of Replacement Services (as the case may be) to the Next Supplier and shall co-operate with the Next Supplier as required in order to fulfil the obligations under this Schedule E.

5.2 Where, other than in accordance with paragraph 6 of Schedule D6, the Post Office is seeking a tender or tenders for a third party contractor to provide a Replacement Service for any Terminable Service to which Partial Termination applies or where Post Office intends to provide such Replacement Services itself, Fujitsu Services shall:

5.2.1 to the extent it can reasonably do so in advance of such Replacement Services being provided, provide to Post Office its best estimate of any Interface Establishment Costs likely to be incurred by Post Office in connection with such Replacement Service on the basis that the specification of the Terminable Service being terminated and the Replacement Service are the same; and

5.2.2 to the extent that any proposed Replacement Service does not meet the specification of the Terminable Service being terminated, Fujitsu Services shall as soon as reasonably practicable (in a timescale consistent with the tender process, if any) advise Post Office of its likely Interface Costs in relation to the proposed Replacement Service.

5.3 Fujitsu Services shall provide reasonable assistance at all times for a period of six years after the date of Partial Termination or date of termination or expiry of this Agreement, as applicable, for the purposes of allowing Post Office to obtain or have access to such historic records connected with the performance of the Relevant Services as may have been retained by Fujitsu Services after termination as is necessary to fulfil Post Office's obligations to supply information for parliamentary, judicial, or administrative purposes.

**5.4 Transfer upon Partial Termination, Termination or expiry of the Services**

5.4.1 Fujitsu Services shall provide to Post Office, or its nominated third party, an entire copy of the service desk calls and transitional audit data held in the operational audit trail and the commercial audit trail, as defined in the "Audit Trail Functional Specification" (CR/FSP/006) in the format specified in the agreed Exit Plan or any format which Post Office reasonably requests. Fujitsu Services shall be entitled to charge for the collation (including any changes to the format of the data, if any) and provision of this data in accordance with the Rate Card as an Exit service.

5.4.2 In the event that the Post Office does not elect to purchase all of the Equipment forming part of the Project Assets in accordance with its right under Clause 48.1, then:

a) following written confirmation by an authorised representative of Post Office (which Post Office will not unreasonably withhold or delay), Fujitsu Services shall

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securely wipe and destroy all data relating to Transactions or Events including the operational audit trail and commercial audit trail), including the physical destruction of associated disks and shall provide Post Office with a certificate of destruction within seven (7) days' of the date of destruction. Fujitsu Services shall be entitled to charge for the destruction of such data and associated disks as an Exit service in accordance with the Rate Card. In the event that such written confirmation is not received within 60 Working Days of the date of termination or expiry of the associated Services then Fujitsu shall be entitled to charge for continuing to hold the data;

- b) Fujitsu Services shall redeploy and/or dispose of such Equipment forming part of the Project Assets in accordance with its legal obligations and shall not charge Post Office for such redeployment and/or disposal.

5.4.3 Save where varied by implication of paragraphs 5.4.1 and 5.4.2 above, Fujitsu Services shall fulfil all its obligations relating to retention of data which survive termination or expiry of the Agreement for example under clause 25.2 relating to Records, under clauses 25.8 to 25.12 relating to the Court Case Support Services to the extent to which it still has the data and/or the expertise (assuming the individuals have not transferred to the Next Supplier). Fujitsu Services will have transferred or destroyed all data relating to Transactions or Events and as such the provisions of Schedule D5 will not apply to the extent to which they apply to the audit trail relating to Transactions or Events.

## 6. TERMINATION CHARGE

- 6.1 The Termination Charge, Partial Termination Charge and HNG-X Termination Charge are each intended to represent a good faith recognition of the loss of revenues Fujitsu Services may reasonably have planned for in establishing the Relevant Services, the supporting infrastructure and/or Project HNG-X. Such charges shall not be applicable (i) where the Agreement or Project HNG-X is terminated in accordance with this Agreement for Default by Fujitsu Services or (ii) in the case of Partial Termination arising in relation to Market Testing.
- 6.2 Subject to paragraph 6.3, where a Termination Charge, Partial Termination Charge or HNG-X Termination Charge is payable to Fujitsu Services, such payment shall be equal to  $A + B + C$  where:

- 6.2.1 A shall be equal to the aggregate of all costs, reasonably incurred, associated with the termination and, where relevant, transfer of the Relevant Services, that cannot be reduced, abated, cancelled or applied elsewhere, subject to Fujitsu Services using reasonable endeavours to mitigate the same, which may include, but is not limited to, the termination of its personnel (where such termination occurs prior to and excluding 2 April 2017) and any termination charges payable to suppliers and sub-contractors and provided that:

- a) such costs are demonstrable and Fujitsu Services provides evidence of such costs as requested by Post Office (acting reasonably);

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b) Post Office shall not be liable to make any payment in respect of such costs to the extent that such costs are included within any fees already paid by Post Office to Fujitsu Services in advance of the performance by Fujitsu Services or to the extent that such costs exceed the amount that Post Office would have paid under this Agreement had the relevant termination not been made, and which, without prejudice to the foregoing, shall include the remaining lease charges (and dilapidations charges) payable by Fujitsu Services for the Belfast data centres up to and including 31 March 2023);

6.2.2 B shall be an allowance for lost profit which:

- (a) in the case of termination of Project HNG-X, shall be an amount equal to 15 percent. of the amount (if any) by which the HNG-X Development Charges due for payment by Post Office up to the date of termination of Project HNG-X are less than the Lower Target Price; or
- (b) in the case of Partial Termination, shall be the Lost Profit; or
- (c) in the case of termination of the Agreement, shall be the aggregate of:
  - (i) an amount equal to the profit element of the HNG-X Termination Charge calculated in accordance with paragraph 6.2.2(a), or zero if such termination of the Agreement occurs after HNG-X Initial Acceptance or the HNG-X Termination Charge has already been paid by Post Office; plus
  - (ii) the Lost Profit;

6.2.3 C shall:

- (a) in the case of (i) Partial Termination or (ii) termination of the Agreement, after all Migration Charges have become due for payment, be zero;
- (b) in the case of termination of the Agreement before all Migration Charges have become due for payment or in the case of termination of Project HNG-X be an amount equal to:
  - (i) the aggregate of all Migration Charges due or which may become due to be paid by Post Office in accordance with the provisions of Schedule D7 if the Agreement or Project HNG-X had not been terminated; minus
  - (ii) all amounts paid by Post Office in respect of such Migration Charges and all of Fujitsu Services' costs (and associated margin) in relation to such Migration Charges that Fujitsu Services is able to avoid or mitigate (having taken reasonable steps to do so).



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6.2.4 All costs forming part of the Termination Charge, Partial Termination Charge or HNG-X Termination Charge shall be determined in accordance with Fujitsu Services' standard accounting practice, supported by proper vouchers and records and verified by Fujitsu Services' auditors.

6.2.5 For the purposes of this paragraph 6.2:

(a) "Lost Profit" means the present value of the lost profit that would have been due to Fujitsu Services during the remainder of the term of the Agreement.

- (i) in the case of termination of the Agreement, in relation to all Relevant Services; or
- (ii) in the case of Partial Termination, in relation to the Relevant Service that has been terminated,

in each case calculated as at the date of termination of the Agreement or Partial Termination, or as at the date of commencement of the Ramp Down Period in the event the Relevant Service is subject to a Ramp Down Period, as the case may be, according to the following formula:

Lost Profit =  $AP_0 + AP_1/(1+r) + AP_2/(1+r)^2 + [\text{series to continue on same calculation basis until}] + AP_{nn}/(1+r)^{nn}$ .

Where the Relevant Service being terminated is subject to a Ramp Down Period, then the profit included within the Charges paid or payable by Post Office during the Ramp Down Period shall be recognised in the calculation of the Lost Profit payable by deducting the amount calculated in accordance with the following from the Lost Profit (as calculated above):

(10/100) multiplied by the total amount of the Charges paid or payable by Fujitsu Services for the Relevant Service during the Ramp Down Period

(b) "nn" means the numbering applied to Financial Years, where in respect of the Financial Year in which termination occurs or the Ramp Down Period commences (as the case may be),  $nn = 0$ ; in respect of the next Financial Year,  $nn = 1$ ; for the Financial Year after that  $nn = 2$  and so on for each successive Financial Year in the period after such termination :

- (i) to 31<sup>st</sup> March 2015 in the event of Partial Termination of the Expiring Services (excluding the POLSAP Applications Support Service) , save as set out in paragraph (ii) below; or
- (ii) in the event that Post Office elects to extend the Service Desk Service, Engineering Service, the OBC Branch Service and/or, CMT Services in accordance with paragraph 10 below, and any such Service is subject to Partial Termination, to the date on which

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such Service (as extended) would have expired; and

(iii) in the event of Partial Termination of the POLSAP Hosting Service to 31st March 2017; and

(iv) for all other Services, to 31 March 2017.”

(c) "APnn" means annual profit in the Financial Year numbered nn which:

(i) in the case of termination of the Agreement, is the aggregate of:

(1) as applied to each and aggregated for all Relevant Services, an amount equal to the Operational Fixed Charge applicable in respect of each Relevant Service in that Financial Year multiplied by the Month Number or OBC Month Number (as applicable) multiplied by 10/100; plus

(2) an amount equal to 10/100 multiplied by the aggregate of the "Late Cost to Post Office" (as referred to in paragraph 4.2.3 of Schedule D1) that would have been payable (if any) pursuant to paragraphs 4.2.3 and 4.2.4 of Schedule D1 as an increment to the applicable Operational Fixed Charge and/or Operational Unit Charges between the date of such termination and 31 March 2015; plus either

(3) in respect of each Financial Year from (and including) 2008/9 to (and including) 20011/2012, the Protected Margin for that Financial Year; or

(4) in respect of Financial Years 2006/07 and 2007/08 and all Financial Years after 20011/2012, as applied to each and aggregated for all Relevant Services, an amount equal to the Operational Variable Charge in respect of each Relevant Service in that Financial Year multiplied by the Applicable Margin; or

(ii) in the case of Partial Termination of a Relevant Service, is the aggregate of:

(1) an amount equal to the Operational Fixed Charge applicable in respect of that Relevant Service in that Financial Year multiplied by the Month Number multiplied by 10/100; plus

(2) an amount equal to the Operational Variable Charge in respect of that Relevant Service in that Financial Year multiplied by the Applicable Margin;

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(d) "Month Number" means, subject to paragraph 6.2.5 (i) of Schedule E, in the Financial Year in which termination of the Agreement or Partial Termination (other than in respect of the Operational Business Change (Branch Change) Service) occurs, the number of calendar months remaining in that Financial Year after the date of such termination (which shall be deemed to include the month in which such termination occurs) or 12 in all subsequent Financial Years;

(e) "OBC Month Number" means, in the Financial Year in which Partial Termination of the Operational Business Change (Branch Change) Service occurs, the number of calendar months remaining (excluding December) in that Financial Year after the date of such termination (which shall be deemed to include the month in which such termination occurs, save where that month is December in which case it shall be deemed to include the January immediately following) or 11 in all subsequent Financial Years;

(f) "Applicable Margin" means in the case of all Relevant Services Services save for any Expiring Services which expire on the dates set out in Clauses 46.4.1 and 46.4.2 (where Termination Charges and Partial Termination Charges do not apply):

- ☐ 10/100 of the Operational Charges from the Date of Termination to 31<sup>st</sup> March 2018 where Post Office terminates the Agreement on or before 31<sup>st</sup> March 2017. The "Date of Termination" means termination of processing of Transactions either directly or indirectly by the HNG-X System (or any replacement to such system provided by Fujitsu Services) It is agreed that other Transfer Services, for example decommissioning of equipment provision of assistance including to the Next Supplier and provision of documentation, may be provided after this date by Fujitsu Services. Notwithstanding the provision of such Transfer Services after the Date of Termination, the relevant Termination Charge or Partial Termination Charge shall be calculated by reference to the Date of Termination; and
- ☐ 15/100 of the Operational Charges from the Date of Termination to 31<sup>st</sup> March 2023 where the Date of Termination is after 31<sup>st</sup> March 2017,

save that whenever the notice to terminate by Post Office is given to Fujitsu Services in relation to Expiring Services which do not expire on the dates set out in Clauses 46.4.1 and 46.4.2, "Applicable Margin" shall mean 10/100 and

(g) "Operational Variable Charge" means in each Financial Year:

- (i) in the case of the Branch Network Service, an amount equal to the Charges forecast by Fujitsu Services to be payable that Financial Year by Post Office pursuant to paragraph 2.9.2(b) of Schedule D1, such forecast being the latest provided by Fujitsu Services under paragraph 2.10 of Schedule D1; or



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- (ii) in the case of all other Relevant Services, the element of the Operational Charges payable in respect of that Relevant Service in that Financial Year calculated using all Operational Unit Charges and Margin Rates applicable in respect of that Relevant Service and the relevant volumes in that Financial Year forecast in the CCD "Horizon Capacity Management and Business Volumes" (PA/PER/033) (such volumes being adjusted as necessary so as to be expressed as monthly volumes); and

(h) "r" means the base rate, expressed as an annual percentage, of Barclays Bank Plc prevailing on the date on which termination of this Agreement or Partial Termination (as the case may be) takes place multiplied by 1/100. For example, if the base rate is 5.1 percent., "r" will be  $5.1 \times 1/100 = 0.051$ .

(i) With respect to the CMT Service only, the number of calendar months remaining after the date of such termination shall be capped at 6 months or (if lower) the number of months (including the month in which such termination occurs) remaining to 31<sup>st</sup> March 2017. For the avoidance of doubt, the total "Lost Profit" in relation to the CMT service shall be the Operational Fixed Charge applicable in respect of the CMT Service multiplied by 6, or (if lower) the number of months (including the month in which such termination occurs) remaining to 31<sup>st</sup> March 2017, multiplied by 10/100.

6.3 Where Termination Charges, Partial Termination Charges or HNG-X Termination Charges are payable to Fujitsu Services under this Agreement, the sum of the amounts payable by Post Office to Fujitsu Services calculated pursuant to paragraph 6.2 plus any payments payable by Post Office under Clause 75.15.6 (having regard to the last paragraph of Clause 75.15) shall not in aggregate exceed:

- (a) £15,000,000 (fifteen million pounds), where Post Office terminates this Agreement between 1 April 2021 and 31 March 2022 (inclusive); and
- (b) £10,000,000 (ten million pounds), where Post Office terminates this Agreement between 1 April 2022 and 30 March 2023 (inclusive).

For the avoidance of doubt, the Expiry Licence Fee and Termination Licence Fee are not part of the Termination Charge and as such are not included in the Termination Charge Cap."

## 7. TRANSFER PAYMENT

7.1 In the event of termination:

- 7.1.1 in circumstances in which a Termination Charge, Partial Termination Charge or HNG-X Termination Charge is payable, then should Post Office wish to exercise its option under Clause 48.1, the Transfer Payment shall be £1; and
- 7.1.2 in all other cases, should Post Office wish to exercise its option under Clause 48.1, the Transfer Payment shall be the greater of £1 or a sum equivalent to such Charges as are due or which may become due to be paid by Post Office in respect

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of those Project Assets which Post Office is entitled and wishes to acquire, to the extent that such Charges have not already been paid by Post Office to Fujitsu Services.

## 8. ASSOCIATED DOCUMENTS

8.1 The following CCDs are associated with this Schedule E:

	Document Reference	Document Title
1	SVM/SDM/SD/0021	Third Party Management Service: Service Description
2	COM/MGT/REP/0001	Transfer Asset Register
3	PA/PER/033	Horizon Capacity Management and Business Volumes
4	COM/CUS/STG/0001	HNG-X Exit Strategy

8.2 The following CRDs are associated with this Schedule E:

	Document Reference	Document Title
	NO CRDs APPLICABLE	

## 9. ADDITIONAL EXIT PROVISIONS APPLICABLE TO TRANSITION

9.1 Impact of termination or expiry during transition

9.1.1 From 1st April 2015, it is anticipated that Post Office will initiate a number of Partial Terminations of Services as it moves to its new procurement model. To support the transition following these Partial Terminations there may be a resulting change in the scope and charging for the central support Services (Service Management Service, Management Information Service, and Security Management Service). In addition, the Services may be impacted by the termination or expiry of the Engineering Service, Operational Business Change Service and CMT Service.

9.1.2 The impact of any Partial Termination on the remaining Services shall be assessed in accordance with the provisions of paragraph 2.2 of Schedule E.

9.1.3 The impact of any expiry of an Expiring Service shall be assessed in accordance with the provisions of paragraph 2.2 of Schedule E.

9.1.4 As part of any termination or expiry of any Services it is agreed that as part of impacting the remaining Services the Parties shall review the applicability of the Call Off Services in Table B in Schedule B3.1.

9.2 Spares Stock

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- 9.2.1 Post Office shall be responsible for the provision of all spares stock for Expiring Services (excluding POLSAP Applications Support Service, and Branch Network Services) from 1st April 2015 until 23:59 on the 4<sup>th</sup> October 2016 at 23:59. From 5<sup>th</sup> October 2016 Post Office shall be responsible for the provision of all spares stock for Expiring Services (excluding Branch Network Resilience Service and Branch Network Services). For the avoidance of doubt, all spares stock procured by or on behalf of Post Office shall form part of the Branch Infrastructure.
- 9.2.2 Post Office may request in writing that Fujitsu Services source the spares stock for Branch Infrastructure on Post Office's behalf (including spares stock identified in a Mini Extension Report). In such circumstances and subject to the availability of such spares, Fujitsu Services shall procure said spares at Post Office's cost. Fujitsu Services shall also be entitled to charge for the storage of these spares. In the event that Post Office extends the Engineering Service, Fujitsu Services shall not be entitled to charge for those spares that it estimates it will require to deliver the Services during the period for which the Engineering Service is extended. Fujitsu Services will continue to be able to charge for the storage of any other spares procured on behalf of Post Office during such period.
- 9.3 It is noted that at the time of entering into CCN 1400, both parties acknowledge that it is not possible to predetermine all of the potential impact (including changes to the relevant cost base) of the removal of the Service Desk Service and the impact of the removal of other subsequent Terminable Services (whether before or after 31st March 2015) on the remaining Operational Services. To this end, the provisions of paragraph 2 (Partial Termination) of Schedule E (Termination and the Exit Plan) shall apply in each instances and Fujitsu Services shall be required to impact each expiry and/or termination and the Charges for the remaining services shall be varied according to any increase or decrease in the remaining costs incurred by Fujitsu Services in delivery of the remaining services. Any resultant reduction in Fujitsu Services' costs shall be deducted from the relevant Operational Charge but no additional deduction will be made for the margin originally added to that cost. Any resultant increase in Fujitsu Services' costs shall be added to the relevant Operational Charge but this additional charge shall not form part of the calculation for any future Termination Charge.

**10. MINI EXTENSIONS**

- 10.1 In the event that Post Office requires any or all of the Expiring Services (excluding Credence/MDM Service, the Salesforce Support Service, POLSAP Hosting Service and POLSAP Applications Support Service) to continue beyond 31st March 2015, then the following provisions shall apply:
- 10.1.1 Post Office shall only be able to extend a particular service for fixed 6 month periods. In the event that Post Office requires an additional period beyond 30th September 2015 then Post Office must also elect for an additional fixed 6 month extension period.
- 10.1.2 In order to extend one of these Expiring Services (excluding POLSAP Applications Support Services), Post Office shall give a minimum of 6 months' written notice, i.e. in the first instance, such written notice must be received by Fujitsu Services prior to 30th September 2014.
- 10.1.3 For the avoidance of doubt, liquidated damages (where applicable) shall continue to apply during any mini extension in accordance with clause 18 save in the case where the Actual Engineering Visits in any month exceeds the related Expected Engineering Volume by 10%. In such instances, the calculation for liquidated damages in respect of the Counter Availability SLT shall be based on the average downtime for each of the hardware components over the previous three months



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(not including the month in question), instead of the actual downtime in the month for each of those components. This shall be calculated using the reported downtime for each problem type prefaced "HD" in the Local Failure section of the SLT report produced in accordance with Annex A to the CCD Branch Network Service Description (SVM/SDM/SD/0011).

- 10.1.3A The Credence/MDM service, the Salesforce Support Service and POLSAP Hosting Service are not extendable beyond 31<sup>st</sup> March 2015 in accordance with the terms above. The POLSAP Applications Support Service is not extendable beyond 31<sup>st</sup> March 2016 in accordance with the terms above.
- 10.1.3B In the event that the Service Desk Service continues beyond 31<sup>st</sup> March 2015, there shall be no reduction in contracted for Service Levels during the extended period.

### Mini Extension Reports

- 10.1.4 From 5<sup>th</sup> October 2016 Fujitsu Services shall, acting as the informed supplier, ensure that its personnel inform the Service Management Relationship (as defined in Schedule A2) as soon as it is aware of any issues that may impact on the provision of Expiring Services (be it by Fujitsu Services or the Next Supplier) on a reactive basis. Where such issues are agreed they shall be formally recorded in the minutes and become Refresh Items. If agreement is not reached in the Service Management Relationship then the Parties shall escalate the matter using the Dispute Resolution Procedure.
- 10.1.5 Additionally, to inform the mini extension request Post Office may elect to commission via a CT, a report identifying any items of risk that would need to be addressed in order for the relevant Service(s) to continue to operate during any Mini Extension in accordance with the Agreement immediately prior to the extension. This report shall be prepared on a pro-active basis with Fujitsu Services consulting relevant sub-contractors as necessary. Such report shall be delivered to Post Office within 3 months of the agreement date of the CT (the "**Mini Extension Report**"). The report shall be delivered on a time and materials basis but the cost of such report shall be capped at £30,000.
- 10.1.6 Post Office will review the Mini Extension Report and the Parties shall use reasonable endeavours to agree any changes within 15 Working Days of the date the Mini Extension Report is delivered to Post Office. If the Parties are unable to agree the report then the matter shall be escalated via the existing Dispute Resolution Procedure.
- 10.1.7 Once agreed, any items identified in the Mini Extension Report shall be deemed to be Refresh Items.
- 10.1.8 If matters relating to potential Refresh Items have been referred to the Dispute Resolution Procedure but not yet resolved and result in a service failure during any mini extension period, then the potential Refresh Items attributable to the service failure shall become Refresh Items.
- 10.1.9 Post Office may at its sole option determine whether to implement all, some, or none of the Refresh Items set out in the Mini Extension Report and/or Service Management Relationship minutes and/or Dispute Resolution Procedure resolutions. For the avoidance of doubt, Post Office may purchase Refresh Items from any Tower Contractor or any other third party but, as set out in Schedule B1 (Branch Hardware Implementation) only Fujitsu Services may implement such Refresh Items into the Services (at Post Office's additional cost, where such costs are not recoverable under the Charges) to the extent it still provides the applicable Service. In the event that Post Office decides to proceed with some or none of the Refresh Items then Fujitsu Services shall not be liable for any service failure directly attributable to Post Office not proceeding with and/or making available the Refresh Items. In the event that Post Office decides to proceed with some or all of the Refresh Items then, for the avoidance of doubt, Fujitsu Services' obligations to provide the Services in

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accordance with the Service Levels shall be unaffected to the extent to which Post Office procures and/or provides the Refresh Items within the agreed timescales.

- 10.1.10 Furthermore, if Post Office does not elect to procure the Mini Extension Report and to the extent that Fujitsu Services has fulfilled its obligations under paragraph 10.1.4 of this Schedule E, then, should the service be impacted by the non-availability, refresh or support of hardware and software, or of spares after 31st March 2015 an appropriate adjustment to service level performance shall be made in relation to failures directly caused by the lack of availability, refresh or support of those spares, hardware or software.

**10A SPARES STOCK**

- 10A.2 Prior to the termination/expiry of any of the Services, Fujitsu Services will notify Post Office promptly after it becomes aware (or ought reasonably to have become aware), of any:

- 10A.2.1 software or hardware used in the performance of the Services; or  
10A.2.2 spares stocks for Branch Infrastructure,

which is becoming end-of-life and/or coming out of support in the two years after the planned expiry of the Service.

- 10A.3 From 5<sup>th</sup> October 2016, Post Office shall be responsible for the provision of all spares stock from 1<sup>st</sup> April 2015 required for the provision of Expiring Services. For the avoidance of doubt, Post Office may request that Fujitsu Services source the spares stock on Post Office's behalf. In such circumstances and subject to the availability of such spares, Fujitsu Services shall procure said spares at Post Office's cost. Fujitsu Services shall also be entitled to charge for the storage of these spares.
- 10A.4 In the event that Post Office extends the Engineering Service, Fujitsu Services shall not be entitled to charge for those spares that it estimates it will require to deliver the Services during the period for which the Engineering Service is extended. Fujitsu Services will continue to be able to charge for the storage of any other spares procured on behalf of Post Office during such period where such spares are stored by Fujitsu Services.

**10B RAMP DOWN CHARGES**

- 10B.1 Once a particular Operational Service, Counter Positions or Branches is/are supported by a Next Supplier or any other supplier (and not Fujitsu) it/they shall cease to be "Counter Positions" or "Branches" for such Operational Service.
- 10B.2 For the avoidance of doubt, a single Branch or Counter Position may be supported by Fujitsu in relation to one Operational Service but may be supported by a Next Supplier in relation to another Operational Service. As illustrated in the example in paragraph 1.9 of Schedule D1, that Branch or Counter Position supported by Fujitsu would be included in the variable charge calculation for the Operational Service but not the Branch or Counter Position supported by the Next Supplier.
- 10.C** Both Parties acknowledge that Post Office may request further extensions to the Expiring Services. Both Parties agree to act reasonably in the event of any such request and any associated negotiation of terms. In particular, Fujitsu Services agrees to mitigate its costs of supply and stranded costs with respect to any further extension of the Expiring Services to the extent that it is reasonably possible to do so having regard to, amongst other things, the timing of any request relative to the expiry date of the Expiring Services

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## ANNEX 1

Terminable Service	Termination category	Date or Event from which termination can be effective	Indicative Impacts
Operational Business Change (Branch Change) Service	Terminable as an individual Service	1 <sup>st</sup> April 2021	Process, resource and toolset implications on Data Centre Operations Service and Service Management Service (MAC Team)
Engineering Service	Terminable as an individual Service (Expired as of 31 March 2015)	Signature by both Parties of CCN 1200	Process, toolset, SLT and operational service threshold implications on Service Desk Service and Operational Business Change (Branch Change) Service and on availability SLTs
Service Desk Service	Terminable as an individual Service (Terminated as of 2 <sup>nd</sup> July 2014)	October 2006	Impacts on Engineering Service SLTs and on process and toolset interfaces to the Systems Management Service, Branch Network Service, Data Centre Operations Service, Central Network Service, Third Line Software Support Service and Service Management Service
Branch Network Service	Terminable as an individual Service	1 <sup>st</sup> July 2017 however the following provisions apply:  a) <u>Partial Termination due to Termination of a Specific Branch Network Service sub-services</u>  <u>The individual Charges identified</u> below for the POMs, BFPO, KDSL and EE sub-services to the Branch Network Services which form part of the Branch Network Services Fixed Charges will cease to be charged and a corresponding	Impacts on Engineering Service, Service Desk SLTs and availability and reliability SLTs (amongst others). Process and toolset implications for Service Desk Service.  Implications on development if a different technology is used



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Terminable Service	Termination category	Date or Event from which termination can be effective	Indicative Impacts
		<p>reduction will be applied to the Branch Network Services Operational Charges provided that:</p> <p><input type="checkbox"/> there are no Branches still actively utilising the particular relevant sub-services (POMS, BFPO and EE are each a technology for the purposes of this CCN); and</p> <p><input type="checkbox"/> Post Office shall have provided a minimum of 60 days notices prior notice to Fujitsu Services to terminate the particular sub-services.</p> <p><b>Fixed Charges monthly reductions:</b></p> <p>Post Office Managed Switch ("POMS") sub-service (a reduction of £14,244.99 per month);</p> <p>Internet VPN sub-service used at British Forces ("BFPO") and Kingston ADSL ("KDSL") (a reduction of £7,122.50 per month); and</p> <p>EE sub-services (a reduction of £7,122.50 per month).</p> <p>b) <u>Full Termination of Branch Network Service and/or CMT Service</u></p> <p>In the event that:</p> <p><input type="checkbox"/> there are no Branches still actively</p>	

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Terminable Service	Termination category	Date or Event from which termination can be effective	Indicative Impacts
		<p>utilising the Branch Network Service and/or the CMT Service; and</p> <p><input type="checkbox"/> the applicable 3 month notice period required to terminate the BNS and/or CMT Services has expired (Post Office having provided a minimum of 3 months prior notice to Fujitsu Services to terminate either of these Services as applicable);</p> <p>then the termination of the Branch Network Service and/or the CMT Service shall be effective prior to 1<sup>st</sup> April 2018.</p>	
CMT Service	Terminable as an individual Service	1st July 2017	Impacts on Branch Network Service and Operational Business Change (Branch Change) Service
Reconciliation Service	Terminable as an individual Service	1 <sup>st</sup> April 2021	Implications on the Third Line Software Support Service which provides back-up to the Reconciliation Service on reconciliation incidents where specialist technical support is required.
Reference Data Management Service	Terminable as an individual Service	1 <sup>st</sup> April 2021	Implications on process and toolset for Data Centre Operations Service especially.
Third Line Software Support Service	Terminable as an individual Service	1 <sup>st</sup> April 2021	<p>Impacts on all SLTs (though only minimally on Service Desk Service and Engineering Service SLTs)</p> <p>Process and toolset implications on Service Desk Service, Systems</p>

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Terminable Service	Termination category	Date or Event from which termination can be effective	Indicative Impacts
			Management Service, Data Centre Operations Service, Application Support Service (Fourth Line), Reconciliation Service and Management Information Service
Data Centre Operations Service and Central Network Service	Service terminable jointly (not as individual Services)	1 <sup>st</sup> April 2021	Termination of Data Centre Operations Service and Central Network Service impacts on the Reconciliation Service, Reference Data Management Service, and "multi-service" SLTs (such as Branch and Counter Position availability), Banking Transaction times and data file delivery SLTs. In addition the POLSAP Hosting Service and Credence/MDM Service shall be impacted.
Systems Management Service	Terminable as an individual Service	1 <sup>st</sup> April 2021	Termination of Systems Management Service impacts on most SLTs. Process and toolset impacts on many other Services.
Application Support Service (Fourth Line)	Terminable as an individual Service	1 <sup>st</sup> April 2021	Implications on POA ongoing development capability as links between the two are very significant.  Process and toolset implications on Third Line Software Support Service.
Salesforce Support Service	Terminable as an individual Service. Note that the terms of the Fujitsu Global Cloud Platform shall apply to the Salesforce Support Service Hosting.	3 months from start of service	Service is a standalone Service.

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Terminable Service	Termination category	Date or Event from which termination can be effective	Indicative Impacts
	(Expired as of 23.59 on 31 <sup>st</sup> March 2016).		
POLSAP Hosting Service	Terminable as an individual Service	16 <sup>th</sup> May 2018	Reference Data Management Service, Data Centre Operations Service and POLSAP Applications Support Service
POLSAP Applications Support Service	Terminable as an individual Service	30 <sup>th</sup> June 2016	Reference Data Management Service, Data Centre Operations Service and POLSAP Hosting Service
Credence/MD M Service	Terminable as an individual Service	Signature of CCN 1400	Reference Data Management Service and Data Centre Operations Service.



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**ANNEX 2****General Exit Plan**

Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
1	Post Office shall appoint a manager responsible for implementing the General Exit Plan.	1 day.	1 day.
2	At the request of Post Office, Fujitsu Services shall appoint a manager who shall be responsible for implementing the General Exit Plan, to include but not be limited to: <ul style="list-style-type: none"> <li>participating in the planning and resourcing of transferring responsibility for the provision of the Relevant Services or equivalent services to the Next Supplier;</li> <li>managing Fujitsu Services' involvement in that process and committing their resources to it, and managing the timescales concerned; and</li> <li>organising Fujitsu Services' management and control for the processes described below.</li> </ul>	3 days.	5 days.
3	At the request of Post Office, Fujitsu Services shall procure that its sub-contractors used in the provision of the Relevant Services shall meet with Post Office to discuss, in as co-operative manner as is reasonably practicable, the ongoing provision of the Relevant Services with a view to achieving the results of the General Exit Plan.	As and when reasonably requested by Post Office after notice of termination given.	As and when reasonably requested by Post Office after notice of termination given or in the event of expiry of this Agreement or an Expiring Service.
4	Fujitsu Services shall deliver to Post Office for its approval a detailed transition plan to enable transition of the Relevant Services to the Replacement Services. Such plan shall include, but not be limited to a timetable of events, resources, assumptions, dependencies, activities, and responsibilities.	No later than 2 months after receipt of the views of Post Office in accordance with paragraph 3.4.2 of Schedule E.	No later than 2 calendar months after receipt of the views of Post Office in accordance with paragraph 3.4.2 of Schedule E.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
5	Fujitsu Services shall deliver to Post Office the most recent versions of all internal documentation available to Fujitsu Services which are used for support of the Relevant Services and relevant Applications, Business Capabilities and/or Support Facilities.	7 days.	14 days.
6	Fujitsu Services shall make available to Post Office on reasonable notice appropriate expert staff who shall provide to Post Office such explanations to Post Office as are reasonably necessary to facilitate Post Office's understanding of the documentation referred to in row 5.	No later than 2 months after notice of termination given.	No later than 2 months after notice of termination given.
7	<p>Fujitsu Services shall deliver to Post Office the following:</p> <ul style="list-style-type: none"> <li>an inventory of Post Office Data, plus any other related data available for transfer or deletion;</li> <li>the definition of all data available for transfer or deletion;</li> <li>a proposed physical transfer method and method of deletion; and</li> <li>a proposed method for testing the integrity and completeness of the data transferred and the completeness of the data deleted.</li> </ul> <p>In the case of Partial Termination or expiry of an Expiring Service this only applies to the extent that such Post Office Data relates to the Relevant Service or is reasonably relevant for the provision of Replacement Services for the Relevant Service.</p>	Within 1 month from notice of termination of this Agreement.	At least 4 months prior to termination or expiry of this Agreement or an Expiring Service.
8	<p>Fujitsu Services shall deliver to Post Office an up to date version of the Asset Register together with:</p> <ul style="list-style-type: none"> <li>a list of all assets eligible for transfer to Post Office in accordance with Clause 48.1 and the relevant terms of such transfer; and</li> </ul>	Within 1 month from notice of termination of this Agreement.	At least 4 months prior to termination or expiry of this Agreement or an Expiring Service.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
	<ul style="list-style-type: none"> <li>a list identifying all other assets, other than human resources, skills and know how, that are ineligible for transfer but which are essential to the delivery of the Relevant Services. The purpose of each component shall be included in the list.</li> </ul>		
9	Post Office to deliver notification to Fujitsu Services of specific data it wishes to be transferred in accordance with the provisions of row 7, and Post Office and Fujitsu Services to enter into good faith discussions to develop a data transfer plan.	Within 1 month from date of delivery of the items set out in row 7.	Within 2 months from date of delivery of the items set out in row 7.
10	Post Office to deliver notification to Fujitsu Services of specific assets it wishes to be transferred in accordance with Clause 48.1, and Post Office and Fujitsu Services to enter into good faith discussions to develop a plan for asset transfer. Such plan shall cover both passing of title to assets and any physical transfer required.	As soon as reasonably practicable from date of delivery of the list of all assets eligible for transfer to Post Office referred to in row 8.	Within 3 months from date of delivery of the list of all assets eligible for transfer to Post Office referred to in row 8.
11	<p>Post Office and Fujitsu Services to enter into good faith negotiations to identify and specify any training requirements related to the transfer of data and/or assets pursuant to rows 9 and 10 above. Such training shall include, at Post Office's request, technical training in respect of:</p> <p>development; networks; operations; configuration and change management; system administration; platform management; and security.</p>	As soon as reasonably practicable from delivery of both the list of assets and of data referred to in rows 7 and 8.	Within 1 month from delivery of both the list of assets and of data referred to in rows 7 and 8.
12	<p>Fujitsu Services to produce and Post Office to approve in respect of the Relevant Services:</p> <ul style="list-style-type: none"> <li>a training strategy, which details the required courses and their objectives;</li> <li>training materials (include assessment criteria); and</li> <li>a training plan of the required training events.</li> </ul>	Within 1 month from notice of termination of this Agreement.	At least 3 months prior to termination or expiry of this Agreement or an Expiring Service.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
13	Fujitsu Services and Post Office shall co-operate in commencing testing and proving the data transfer and deletion plan in respect of the Relevant Services, such that transfer may be concluded in accordance with the agreed plan. In the case of termination or expiry of the Agreement or (in accordance with Post Office's reasonable directions) of a Terminable Service, once the transfer of Post Office Data to Post Office in accordance with this requirement is complete, all remaining Post Office Data to which this requirement applies and held by Fujitsu Services shall either be destroyed in the case of termination and expiry of the Agreement or, in the case of termination or expiry of a Terminable Service, only destroyed in accordance with Post Office's reasonable directions. For the purpose of this requirement, "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).	As soon as reasonably practicable after agreement of the data transfer plan referred to in row 9.	The later of 5 months after the date of notice of termination and 3 months after agreement of the data transfer plan referred to in row 9.
14	At the request of Post Office, Fujitsu Services shall: <ul style="list-style-type: none"> <li>in the case of properties owned or controlled by Fujitsu Services, permit Post Office and its appointed agents; and</li> <li>in the case of properties not owned or controlled by Fujitsu Services, use reasonable endeavours to arrange,</li> </ul> reasonable access to such properties used by Fujitsu Services to provide the Relevant Services.	Throughout the period between commencement of implementation of the General Exit Plan and completion of transition to the Next Supplier ("Exit Term").	Throughout the Exit Term.
15	At the request of Post Office, Fujitsu Services shall provide all reasonable assistance and allow for the decommissioning and transfer of the relevant assets listed in the Asset Register (as updated in accordance with the provisions of row 8) and those notified by Post Office in accordance with the provisions of row 10 that are located on Fujitsu Services' premises (including premises leased or licensed by Fujitsu Services) in accordance with Post Office's reasonable instructions to Post Office's specified location in the UK (or the location of any Next Supplier), including but not limited to physical access to such assets.	Throughout the Exit Term.	Throughout the Exit Term.
16	Fujitsu Services shall transfer data in an agreed electronic format (where possible) or such other available format to Post Office and make the same available at Post Office's request to the Next Supplier.	On satisfactory completion of the relevant testing mentioned in row 13.	On satisfactory completion of the relevant testing mentioned in row 13.



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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
17	<p>Fujitsu Services shall:</p> <ul style="list-style-type: none"> <li>make available two copies in the agreed electronic format of all back-up, archival and operational data including, without limitation all databases developed in relation to the Relevant Services which are licensed for use by Post Office pursuant to this Agreement or in which Post Office owns the Intellectual Property Rights; and</li> <li>make and deliver up to Post Office printouts of Post Office Data as Post Office may reasonably require and which Fujitsu Services can reasonably produce in respect of the Relevant Services.</li> </ul>	Following a reasonable interval following termination of this Agreement. Such interval to be agreed by the Parties during Phase One.	Following a reasonable interval following termination of this Agreement or expiry of an Expiring Service. Such interval to be agreed by the Parties during Phase One.
18	Fujitsu Services shall transfer to Post Office the scripts used by the Service Desk, all existing work arounds to known problems, its problem management records and its incident management records (in each case as relevant to the Relevant Services and relevant Applications, Business Capabilities and Support Facilities) in a format to be agreed between the Parties.	1 month before termination of this Agreement with an update of such information up to and including the date of termination of this Agreement to be sent to Post Office in the agreed format within one month of the date of termination of this Agreement.	2 months before termination of this Agreement with an update of such information up to and including the date of termination of this Agreement to be sent to Post Office in the agreed format within one month of the date of termination of this Agreement.
19	Fujitsu Services shall provide reasonable office accommodation for three Post Office or Next Supplier personnel.	Throughout the Exit Term.	Throughout the Exit Term.
20	<p>Fujitsu Services shall destroy or return to Post Office (as directed by Post Office):</p> <ul style="list-style-type: none"> <li>all manuals and all other materials supplied by Post Office to Fujitsu Services (relating to the Relevant Services) and subsequently updated in enabling them to service Post Office's requirements; and</li> <li>all tapes and disks and other equipment and related software supplied to Fujitsu Services by Post Office during the provision of the Relevant Services,</li> </ul>	Following a reasonable interval following termination of this Agreement. Such interval to be agreed by the Parties during Phase One.	Following a reasonable interval following termination of this Agreement or an Expiring Service. Such interval to be agreed by the Parties during Phase One.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of General Exit Plan or other specified event)	
		Notice of termination given for any reason is 6 months or less	Notice of termination for any reason is more than 6 months, or in the event of expiry of this Agreement or an Expiring Service
	to the extent such manuals, materials, tapes, disks, equipment and/or software relate to the Relevant Services and are not required for the provision by Fujitsu Services of any continuing Services.		
21	Post Office shall notify Fujitsu Services of any transition requirements to be provided to Next Supplier after the date of Partial Termination or date of termination of this Agreement, as applicable.	At least 2 months prior to termination of this Agreement.	At least 2 months prior to termination or expiry of this Agreement or an Expiring Service.
22	Fujitsu Services shall transfer to Post Office its relevant configuration management information in a format to be agreed between the Parties.	At least one month prior to termination of this Agreement.	At least one month prior to termination or expiry of this Agreement or an Expiring Service.
23	<p>Fujitsu Services shall provide to Post Office an anonymised list with details of the terms and conditions of employment of all Fujitsu Services personnel (and those personnel of its relevant sub-contractors) who are then wholly or mainly employed or engaged in the performance of the Relevant Services, to the extent such personnel may be subject to the Transfer of Undertakings (Protection of Employment) Regulations 2006 if such Services were transferred (including, as a minimum, information on (i) numbers of personnel (employees, contractors and temporary staff), (ii) salaries and other benefits, bonuses and pensions arrangements, (iii) where readily available to Fujitsu Services, skills sets and employment grades, (iv) age and length of service profile, (v) locations of personnel and (vi) such key employee policies as shall be generally known to the relevant employees and relevant to their terms of employment or reasonable expectations).</p> <p>For the avoidance of doubt, this provision is without prejudice to any statutory obligations of Fujitsu Services to provide information on employee liabilities and other employee information to Post Office in the event of termination or expiry of this Agreement where the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply.</p>	As soon as possible following notice of termination being given.	<p>In the case of early termination of this Agreement or Partial Termination, as soon as possible following notice of termination being given.</p> <p>In the case of expiry of this Agreement or an Expiring Service, no later than 3 months prior to the date of expiry.</p>

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**ANNEX 3****HNG-X Exit Plan**

Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of HNG-X Exit Plan or other specified event)
1.	Post Office shall appoint a manager responsible for implementing the HNG-X Exit Plan.	One day.
2.	At the request of Post Office, Fujitsu Services shall appoint a manager who shall be responsible for implementing the HNG-X Exit Plan, to include but not be limited to organising Fujitsu Services' management and control for the processes described below.	Three days.
3.	If Project HNG-X is terminated after commencement of HNG-X Project Workstream X3 (HNG-X Pilot and Acceptance) and before HNG-X Initial Acceptance Fujitsu Services shall deliver to Post Office for its approval a plan for the reinstatement of the Horizon Applications in any pilot Branches. Such plan shall include, but not be limited to a timetable of events, resources, assumptions, dependencies, activities, and responsibilities.	No later than two months after receipt of the views of Post Office in accordance with paragraph 3.3.2 of Schedule E.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of HNG-X Exit Plan or other specified event)
4.	Fujitsu Services shall make available to Post Office on reasonable notice appropriate expert staff who shall provide to Post Office such explanations to Post Office as are reasonably necessary to facilitate Post Office's understanding of the documentation provided by Fujitsu Services in accordance with Clause 27.3.	No later than two months after notice of termination given.
5.	<p>Fujitsu Services shall deliver to Post Office such of the following as were provided to Fujitsu Services by Post Office or generated by Fujitsu Services, in each case for the purposes only of Project HNG-X and excluding all Transaction data:</p> <ul style="list-style-type: none"><li>• an inventory of the Post Office Data, plus any other related data available for transfer or deletion;</li><li>• the definition of all data available for transfer or deletion;</li><li>• a proposed physical transfer method and method of deletion; and</li><li>• a proposed method for testing the integrity and completeness of the data transferred and the completeness of the data deleted.</li></ul>	Within one month of notice of termination of Project HNG-X
6.	<p>Fujitsu Services shall deliver to Post Office an up to date version of the Asset Register together with:</p> <ul style="list-style-type: none"><li>• a list of all assets eligible for transfer to Post Office pursuant to Clause 48.1 and the relevant terms of such transfer; and</li></ul>	Within one month from notice of termination of Project HNG-X.



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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of HNG-X Exit Plan or other specified event)
	<ul style="list-style-type: none"><li>a list identifying all other assets, other than human resources, skills and know how, that were produced or procured by or on behalf of Fujitsu Services for Project HNG-X that are ineligible for transfer. The purpose of each component shall be included in the list.</li></ul>	
7.	Post Office to deliver notification to Fujitsu Services of specific data it wishes to be transferred, and Post Office and Fujitsu Services to enter into good faith discussions to develop a data transfer plan.	Within one month from date of delivery of the items set out in row 5.
8.	Post Office to deliver notification to Fujitsu Services of specific assets it wishes to be transferred to Post Office pursuant to Clause 48.1, and Post Office and Fujitsu Services to enter into good faith discussions to develop a plan for asset transfer. Such plan shall cover both passing of title to assets and any physical transfer required.	As soon as reasonably practicable from date of delivery of the list of all assets eligible for transfer to Post Office referred to in row 6.
9.	Fujitsu Services and Post Office 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 Post Office Data to Post Office in accordance with this requirement is complete, all remaining Post Office Data to which this requirement applies held by Fujitsu Services shall be destroyed. For the purpose of this requirement, "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).	As soon as reasonably practicable after agreement of the data transfer plan referred to in row 8.

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Row No	Activity and Responsibility	Time Scales (Working Days or period from start of implementation of HNG-X Exit Plan or other specified event)
10.	Fujitsu Services shall transfer data in the format (electronic or otherwise) in which it exists at the time it becomes eligible for transfer.	On satisfactory completion of the relevant testing mentioned in row 9.
11	Fujitsu Services shall destroy or return to Post Office (as directed by Post Office): <ul style="list-style-type: none"><li>• all manuals and all other materials supplied by Post Office to Fujitsu Services (relating to Project HNG-X only) and subsequently updated in enabling them to service Post Office's requirements; and</li><li>• all tapes and disks and other equipment and related software supplied to Fujitsu Services by Post Office during the development of Project HNG-X for the purposes of Project HNG-X only.</li></ul>	Following a reasonable interval following termination of Project HNG-X. Such interval to be agreed by the Parties during Phase One.
12	Fujitsu Services shall transfer to Post Office its configuration management information, to the extent it relates to Project HNG-X, in a format to be agreed between the Parties.	At least one month prior to termination of Project HNG-X.