

Date: 16 September 2024

Deed of Amendment And Restatement in respect of the Grant Framework
Agreement dated 21 July 2015

POST OFFICE LIMITED ⁽¹⁾ and
NATIONAL FEDERATION OF SUBPOSTMASTERS ⁽²⁾

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THIS DEED IS DATED 16 September 2024

PARTIES

- (1) POST OFFICE LIMITED incorporated and registered in England and Wales with company number 02154540 whose registered office is at 100 Wood Street, London EC2V 7ER (**POL**).
- (2) NATIONAL FEDERATION OF SUBPOSTMASTERS incorporated and registered in England and Wales with company number 9771284 whose registered office is at Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, West Sussex BN43 5AZ (**NFSP**).

BACKGROUND

- (A) POL and NFSP are parties to a Grant Framework Agreement originally entered into between POL and the unincorporated association known as the National Federation of Subpostmasters dated 21 July 2015 and novated to the NFSP by a Deed of Novation dated 5 November 2016 (the **Original Grant Framework Agreement**).
- (B) Following *Alan Bates and Others v Post Office Limited [2019] EWHC 606 (QB)* (the **Common Issues Judgement**), the parties have agreed to amend the Original Grant Framework Agreement to address those matters raised in the Common Issues Judgement relating to the Original Grant Framework Agreement.
- (C) The parties have therefore agreed to amend and restate the Original Grant Framework Agreement as set out in this deed.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Original Grant Framework Agreement shall have the same meaning when used in this deed, unless defined below. In addition, the definitions below apply in this deed.

Original Grant Framework Agreement has the meaning given in recital (A).

Amended and Restated Grant Framework Agreement the Original Grant Framework Agreement as amended and restated by this deed in the form set out in Schedule 1.

Amendment and Restatement Date the date of this deed.

1.2 The rules of interpretation of the Original Grant Framework Agreement shall apply to this Deed as if set out in this agreement save that references in the Original Grant Framework Agreement to "this Agreement" shall be construed as references to this deed.

1.3 In this deed:

1.3.1 any reference to a "clause" or "Schedule" is, unless the context otherwise requires, a reference to a clause or Schedule of this deed; and

1.3.2 clause and Schedule headings are for ease of reference only.

1.4 The Schedules form part of this Deed and shall have effect as of set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2. AMENDMENT AND RESTATEMENT OF THE ORIGINAL GRANT FRAMEWORK AGREEMENT

With effect on and from the Amendment and Restatement Date, the Original Grant Framework Agreement shall be amended and restated in the form set out in 0 so that the rights and obligations of the parties to the Amended and Restated Grant Framework Agreement shall, on and from that date, be governed by and construed in accordance with the provisions of the Amended and Restated Grant Framework Agreement.

3. MISCELLANEOUS

This deed may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts together shall constitute one agreement. No counterpart shall be effective until each party has executed at least one counterpart.

4. THIRD PARTY RIGHTS

A person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed.

5. GOVERNING LAW AND JURISDICTION

- 5.1 This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 5.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

This deed has been entered into on the date stated at the beginning of it.

SCHEDULE 1

Form of Amended and Restated Grant Framework Agreement

Amended and restated as at 16 September 2024

Dated

GRANT FRAMEWORK AGREEMENT

POST OFFICE LIMITED

and

NATIONAL FEDERATION OF SUBPOSTMASTERS

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THIS AGREEMENT dated16 September 2024..... is made BETWEEN:

- (1) POST OFFICE LIMITED incorporated and registered in England and Wales with company number 02154540 whose registered office is at 100 Wood Street, London EC2V 7ER ("POL"); and
- (2) NATIONAL FEDERATION OF SUBPOSTMASTERS incorporated and registered in England and Wales with company number 9771284 whose registered office is at Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, West Sussex BN43 5AZ ("NFSP").

BACKGROUND:

- (A) The unincorporated association known as the National Federation of Subpostmasters and POL entered into a 15 year Grant Framework Agreement dated 21 July 2015 ("Original Agreement").
- (B) Following the incorporation of the NFSP, all the rights and obligations of the unincorporated association under the Original Agreement were transferred to the NFSP by a Deed of Novation dated 5 November 2016.
- (C) The purpose of the NFSP is to be the representative voice of its members. As an independent representative membership body, the NFSP has the right to, and must be capable of, acting in the best interests of its members.
- (D) POL has the right to manage and to ensure the efficient and effective delivery of services to its customers.
- (E) POL recognises the benefit of having the NFSP as a functioning and independent body operating for the benefit of postmasters. POL therefore agrees to provide certain grant funding to the NFSP for the purposes set out in this Agreement on the terms and subject to the conditions set out below.
- (F) The NFSP and POL agree to engage with each other based on a principle of mutual respect in respect of their respective obligations under this Agreement and their dealings with each other.
- (G) Following *Alan Bates and Others v Post Office Limited [2019] EWHC 606 (QB)* (the "Common Issues Judgement"), the parties have agreed to amend and restate the Grant Framework Agreement to address those matters raised in the Common Issues Judgement relating to the Grant Framework Agreement.

AGREED TERMS:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement the following words and expressions shall have the following meanings unless otherwise stated:

"Applicable Law" any applicable: (i) statute, directive, order, enactment, regulation or subordinate legislation in force from time to time; (ii) the common law and the law of equity; (iii) binding court order, judgment or decree; and (iv) binding industry code or practice, guidance, policy or standard enforceable by law, as applicable in England and Wales;

"ADR notice" has the meaning given in clause 30.4;

"Annual Grant Audit"	has the meaning given in clause 25.2;
"Annual Grant Funding Purpose"	means: (i) negotiating changes to remuneration on behalf of and for the benefit of Postmasters; (ii) challenging, reviewing and commenting on new or updated POL-proposed policies or proposals on behalf of and for the benefit of Postmasters; (iii) representing its members, including in relation to disputes with POL; (iv) providing welfare and support to Postmasters, in each case, in relation to Postmasters' operation of Post Office Branches and all business carried on by Postmasters on their own account from Post Office Branch premises in accordance with their contract for the operation of a Post Office Branch;
"Annual Grant Payment"	the payment calculated in accordance with Schedule 1;
"Annual Plan"	the annual plan to be provided by the NFSP in respect of each Financial Year pursuant to clause 4;
"Approved Project"	has the meaning given in clause 9.1;
"Availability Period"	has the meaning given in clause 9.4;
"Award Date"	has the meaning given in Schedule 2;
"BEIS"	the Department for Business, Energy & Industrial Strategy or such successor department or organisation from time to time as shall be responsible for POL and postal policy;
"Board"	means the board of directors of the NFSP;
"Bribery Act"	the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation;
"Business Day"	a day other than a Saturday or Sunday or other public holiday in England and Wales;
"Commencement Date"	1 April 2015;
"Confidential Information"	all information and trade secrets relating to POL's business, the NFSP's business, Postmasters or Post Office customers which comes into the possession of the NFSP or POL (as applicable) pursuant to this Agreement, whether orally, or in documentary, electronic or other form or which is marked confidential;

"Controller"	has the meaning given in the Data Protection Law;
"Disputed Amount"	has the meaning given in clause 8.2;
"Data Protection Law"	any and all Applicable Laws in force from time to time in the UK which relate to privacy, data protection and the protection of individuals with regards to the processing of Personal Data and to which a party is subject, including the UK GDPR, the Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all other applicable legislation, regulations, codes of practice and requirements of any relevant government or governmental agency, regulator, or any other applicable body in respect of the processing of Personal Data and any legally binding guidance or codes of practice that may from time to time be issued by the Information Commissioner (or any other relevant regulatory authority or successor regulator);
"EA"	the Equality Act 2010;
"Event of Withholding"	has the meaning given in clause 16.2;
"Event of Termination"	has the meaning given in clause 16.6;
"Existing Members"	the members of the NFSP as at 1 May 2015;
"Financial Year"	the period starting on 1 April each year and ending on 31 March in the following year (with the first Financial Year being the period commencing on 1 April 2015 and expiring on 31 March 2016);
"FOIA"	the Freedom of Information Act 2000, and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation;
"Force Majeure Event"	any event affecting the performance by a party of its obligations under this Agreement arising from acts, events, omissions or non-events beyond its reasonable control, including acts of God, riots, war, acts of terrorism, fire, flood, storm or earthquake and any disaster, but excluding any industrial dispute relating to the NFSP, the NFSP's Personnel or any other failure in the NFSP's supply chain;
"Grant"	the aggregate of the sums determined in accordance with clause 6 and clause 9 to be made available in each Financial Year by POL for the NFSP to access in accordance with this Agreement;
"Grant Period"	a period of fifteen (15) years from the Commencement Date;
"HMRC"	His Majesty's Revenue & Customs;

"Individual Grant"	each individual allocation of grant monies for an Approved Project calculated in accordance with Schedule 2;
"Individual Grant Period"	the period for which an Individual Grant is awarded starting on the Award Date and ending on the Project Completion Date for such Individual Grant;
"Information"	has the meaning given under section 84 of FOIA;
"Intellectual Property"	all patents, copyrights, design rights, trade marks, goodwill, trade secrets, know-how, database rights, moral rights and other rights in the nature of intellectual property rights (whether registered or unregistered) and all applications for the same, anywhere in the world;
"Licensed Materials"	the branding, signage and other materials containing, depicting or bearing any POL Intellectual Property;
"Network Access Criteria Requirement"	BEIS' requirement that POL provides a minimum range of those services known as Services of Public Economic Interest, in accordance with certain network access criteria, as defined in the funding agreement between POL and BEIS from time to time;
"NFSP Grant Manager"	the person nominated by the NFSP from time to time to manage, on a day to day basis, matters arising pursuant to this Agreement. The NFSP shall notify POL of the identity of the NFSP Grant Manager in writing;
"Operating Costs"	means the reasonable cost of resources used by NFSP to operate including without limitation maintenance of buildings, utility bills and salaries, such costs to be in line with industry benchmarks;
"Payment Date"	the date any amount of the Annual Grant Payment is due and payable in accordance with this Agreement;
"Personnel"	means: (i) in relation to the NFSP, any member of the Board, officer, employee, member or volunteer of the NFSP involved from time to time in the activities contemplated by this Agreement or any consultant or contractor engaged by the NFSP from time to time in respect of the activities contemplated by this Agreement; and (ii) in relation to POL, any officer or employee of POL involved from time to time in the activities contemplated by this Agreement or any consultant or contractor engaged by POL from time to time in respect of the activities contemplated by this Agreement;
"Post Office Group"	the group of companies comprised of POL, its holding company, its subsidiaries and associated undertakings (if any) and any subsidiaries and associated undertakings of its holding company including any subsidiaries of those associated undertakings. The terms "holding company" and "subsidiary" shall have the

	meanings given to them in section 1159 of the Companies Act 2006;
"POL Grant Manager"	the person nominated by POL from time to time to manage, on a day to day basis, matters arising pursuant to this Agreement. POL shall notify the NFSP of the identity of the POL Grant Manager in writing (as at the Restatement Date the POL Grant Manger is the Postmaster Director);
"POL Intellectual Property"	all Intellectual Property in anything provided by or on behalf of POL in connection with this Agreement;
"Post Office Branch"	as defined by POL from time to time and currently designated as either being a main branch, a local branch, a Community Branch, an unconverted Post Office branch or an access point;
"Postmaster"	any third party with which POL holds a contract for the operation of a Post Office Branch;
"Project Completion Date"	has the meaning given in Schedule 2;
"Project Proposal"	has the meaning given in Schedule 2;
"Project Proposal Submission Date"	has the meaning given in Schedule 2;
"Protocol"	means the protocol in the form agreed between the parties in writing from time to time (both being bound to act reasonably in this regard) setting out the parties' ways of working in connection with this Agreement. A high level summary of the matters that will be addressed in such Protocol (once agreed) is set out in Schedule 3 to this Agreement;
"Quarter"	any 3 month period commencing on 1 January, 1 April, 1 July or 1 October in any year;
"Representative Organisation"	an organisation which: (i) represents at least 50% (fifty per cent) of each type of Postmaster operating each type of Post Office Branch as defined by POL from time to time and currently designated as being either a main branch, a local branch, a Community Branch, an unconverted Post Office Branch or an access point; and (ii) has used its best endeavours to seek to represent as many Postmasters which are multiples as possible ("multiples" to be as defined by POL from time to time); and
"Required Insurances"	has the meaning given in clause 28.1;
"Restatement Date"	the date of the amendment and restatement described in Background paragraph (G);

"Review"	has the meaning given in clause 13.7;
"Royal Mail Group Limited"	incorporated and registered in England and Wales with company number 04138203 whose registered office is at 100 Victoria Embankment, London, EC4Y 0HQ;
"VAT"	value added tax payable in accordance with the Value Added Tax Act 1994;
"UK GDPR"	has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.
- 1.3 A "person" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's legal and personal representatives, successors and permitted assigns.
- 1.4 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement and any reference to this Agreement includes the Schedules.
- 1.5 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.6 A reference to a "company" shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.7 Words in the singular shall include the plural and vice versa.
- 1.8 A reference to one gender shall include a reference to the other genders.
- 1.9 Any obligation in this Agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 1.10 A reference to a document is a reference to that document as varied or novated (in each case, other than in breach of the provisions of this Agreement) at any time.
- 1.11 References to clauses and Schedules are to the clauses and Schedules of this Agreement; references to paragraphs are to paragraphs of the relevant Schedule.
- 1.12 Any words following the terms "including", "include", "in particular", "for example" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. PURPOSE

- 2.1 POL will provide grant funding to the NFSP on the terms and subject to the conditions of this Agreement.
- 2.2 The Annual Grant Payments may be used by the NFSP solely for the purposes of:
- 2.2.1 the Annual Grant Funding Purpose; and
 - 2.2.2 meeting the NFSP's reasonably and properly incurred Operating Costs.

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- 2.3 Each Individual Grant may be used by the NFSP solely for the purposes of the relevant Approved Project.
 - 2.4 The NFSP will comply with the conditions attached to such funding in accordance with this Agreement and will use all funding provided to it under this Agreement only for the purpose for which it was intended. The NFSP acknowledges that POL, as Grant funder, requires the NFSP to provide information and records to demonstrate compliance with this clause and the NFSP agrees to provide all such information and records in accordance with the terms of this Agreement including in particular clause 13.

3. COMMENCEMENT AND DURATION

- 3.1 This Agreement shall be deemed to have taken effect on the Commencement Date and shall continue in force for the Grant Period, subject to earlier termination in accordance with its terms.
- 3.2 The NFSP warrants that it has all rights, power and authority to enter into this Agreement.

4. PROVISION OF BENEFITS TO POSTMASTERS

- 4.1 From 1 October 2015, the NFSP shall provide free membership of the NFSP to all Postmasters who:
 - 4.1.1 enter into, or have previously entered into, contracts with POL for the operation of a main or local Post Office Branch (whether as a consequence of taking on a new Post Office Branch or converting an existing Post Office Branch to a new main or local model); or
 - 4.1.2 operate Community Branches and have applied for and received funding from POL to invest in their Community Branch.
- 4.2 Subject to clause 4.3, POL agrees to consult with the NFSP in respect of any proposal to introduce a new Post Office Branch model, in the context of whether the operators of such new Post Office Branch model should be offered free membership of the NFSP.
- 4.3 The consultation obligation in clause 4.2 applies only in relation to proposed new Post Office Branch models providing the range of services required for the purposes of the Network Access Criteria Requirement.
- 4.4 The NFSP acknowledges that, notwithstanding the offer of free membership referred to in clause 4.1, a Postmaster has the right to refuse to accept membership of the NFSP and the NFSP agrees to accept any refusal by a Postmaster to accept this membership offer.
- 4.5 From 30 November 2016, the NFSP shall provide free membership of the NFSP to all Postmasters. The NFSP acknowledges that, notwithstanding this offer of free membership, a Postmaster has the right to refuse to accept membership of the NFSP and the NFSP agrees to accept any refusal by a Postmaster to accept this membership offer.
- 4.6 The NFSP shall prepare an Annual Plan for each Financial Year which shall be in the format agreed between POL and the NFSP from time to time (both parties being bound to act reasonably in this regard) and which shall include the following in a reasonable level of detail:
 - 4.6.1 a clear breakdown of how the Annual Grant Payment will be used in accordance with clause 2.2, including:

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- (a) the proposed activities for the NFSP, including the benefits to be offered to Postmasters by the NFSP, for such Financial Year and how these meet the Annual Grant Funding Purpose;
 - (b) the NFSP's objectives/key milestones for the Financial Year and the dates by which NFSP propose that such objectives/key milestones shall be achieved for that Financial Year, such objectives/key milestones must be capable of being measured by POL;
 - (c) details of any other proposed use of the Annual Grant Payment, including a breakdown of Operating Costs,

in each case with an explanation as to how the relevant activity, objective / milestone or other proposed use of the Annual Grant Payment complies with clause 2.2;

- 4.6.2 full details (FAD code, branch name and model type) of the then current number of members of the NFSP together with independent verification in writing of such information from the NFSP's auditors provided that NFSP is not prevented from providing such information by Data Protection Law; and
- 4.6.3 high level details of proposed activities to meet the Annual Grant Funding Purpose for the next two (2) Financial Years, broken down by each Financial Year (insofar as funded by the Annual Grant Payment).

The Annual Plan shall be forward looking and does not need to contain details of the historic activities of the NFSP.

- 4.7 No later than three (3) months prior to the start of each Financial Year, the NFSP shall submit to POL a draft Annual Plan for the forthcoming Financial Year to allow time for the parties to discuss and agree the Annual Plan.
- 4.8 Following receipt of a draft Annual Plan the parties shall discuss and seek to agree (each party acting reasonably) the contents and once agreed between the parties in writing, it shall become the Annual Plan for the forthcoming Financial Year.
- 4.9 The NFSP acknowledges that, pursuant to clause 7.2.4, POL's obligation to advance any Annual Grant Payment is subject to the conditions precedent that on both the date of the drawdown request and the Payment Date the Annual Plan for the relevant Financial Year is agreed between the parties in accordance with this clause 4.

5. GENERAL CONDITIONS OF THE GRANT

- 5.1 Both parties shall use reasonable endeavours to identify any issues which will or may create tension between the interests of POL and those of Postmasters and use reasonable endeavours to resolve any such issues.
- 5.2 For the avoidance of doubt, it is hereby acknowledged that the NFSP may:
 - 5.2.1 represent individual Postmasters;
 - 5.2.2 discuss and comment on POL's initiatives, policies or strategies with its membership;
 - 5.2.3 publicly comment on the same;
 - 5.2.4 state and explain its opinion on the same, even if not in support of POL; and

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- 5.2.5 lobby relevant stakeholders such as BEIS and Royal Mail Group Limited on behalf of its members.
 - 5.3 The NFSP shall remain a Representative Organisation throughout the Grant Period.
 - 5.4 The NFSP shall not become a trade union during the Grant Period.
 - 5.5 The NFSP shall not merge with a trade union or any other organisation during the Grant Period.
 - 5.6 The NFSP shall notify POL of any Event of Withholding or potential Event of Withholding (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence or potential occurrence.
 - 5.7 The NFSP shall comply with all Applicable Laws.

6. ANNUAL GRANT FUNDING

- 6.1 Subject to clause 5 (General Conditions of the Grant), clause 7 (Specific Conditions in respect of the Annual Grant Payment) and clause 16 (Withholding and Suspending of Grant), POL shall pay the NFSP the Annual Grant Payment each Financial Year calculated in accordance with Schedule 1 on the terms and subject to the conditions of this Agreement.
- 6.2 The NFSP shall use the money received from POL under clause 6.1 only for the activities and uses set out in the Annual Plan.
- 6.3 In the event that NFSP carries out activities which are subject to objectives or key milestones set out in the Annual Plan, the NFSP shall use best endeavours to meet such objectives/key milestones set out in the Annual Plan.
- 6.4 Should any part of the Annual Grant Payment remain unspent at the end of the Financial Year to which it relates, the NFSP shall ensure that any such unspent monies are returned to POL within 30 days of the end of such Financial Year or, if agreed in writing by POL (POL being bound not to unreasonably withhold or delay its agreement in this regard), the NFSP shall be entitled to retain the unspent monies to be used in accordance with clause 2.2 in the following Financial Year. If NFSP wishes to retain the unspent monies for use in the following Financial Year, NFSP shall provide POL with a written explanation as to why the funds are unspent and a proposal (in reasonable detail) as to how the unspent funds are to be used in the following Financial Year in accordance with clause 2.2 and if such proposal is agreed by POL (POL being bound not to unreasonably withhold or delay its agreement in this regard), the Annual Plan for such Financial Year shall be deemed to be updated accordingly.

7. SPECIFIC CONDITIONS IN RESPECT OF THE ANNUAL GRANT PAYMENT

- 7.1 The NFSP may not request a drawdown in respect of the Annual Grant Payment until the NFSP has demonstrated to the reasonable satisfaction of POL the following:
 - 7.1.1 that there is no change in the legal status of the NFSP; and
 - 7.1.2 that the NFSP is a Representative Organisation.
- 7.2 POL's obligation to advance any Annual Grant Payment is subject to the further conditions precedent that on both the date of the drawdown request and the Payment Date:
 - 7.2.1 the Warranties in clause 15 are true and correct;

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- 7.2.2 no Event of Withholding or potential Event of Withholding is continuing;
 - 7.2.3 no Event of Termination or potential Event of Termination is continuing;
 - 7.2.4 the Annual Plan for the relevant Financial Year has been put in place in accordance with clause 4;
 - 7.2.5 the NFSP can demonstrate to POL's reasonable satisfaction that the NFSP is using reasonable endeavours to maintain (as a minimum) its membership levels for Existing Members as at 1 May 2015 membership levels.

8. ANNUAL GRANT PAYMENT PROVISIONS

- 8.1 Within twenty (20) Business Days of the date of signature of this Agreement and within twenty (20) Business Days of each anniversary of the Commencement Date, the NFSP shall submit to POL a report showing and evidencing to POL's reasonable satisfaction the amount of the Annual Grant Payment requested for that Financial Year.
- 8.2 Within twenty (20) Business Days of receipt of the report referred to in clause 8.1, POL shall confirm in writing to the NFSP whether or not it agrees with the value of the Annual Grant Payment determined by the NFSP and if such value is not agreed, the value of the disputed element of the Annual Grant Payment (the "Disputed Amount") together with a clear explanation of the reasons as to why this is disputed.
- 8.3 The NFSP shall submit drawdown requests for payment of the Annual Grant Payment in accordance with such procedure as shall be agreed between the parties from time to time but no more than Quarterly.
- 8.4 All drawdown requests shall be directed to the POL Grant Manager.
- 8.5 Subject to clause 5 (General Conditions of the Grant), clause 7 (Specific Conditions in respect of the Annual Grant Payment) and clause 16 (Withholding and Suspending of Grant), POL shall advance the Annual Grant Payment which has become payable within thirty (30) Business Days of receipt of an undisputed drawdown request from the NFSP.
- 8.6 Where POL disputes the calculation of the Annual Grant Payment, then a payment equal to the sum not in dispute shall be paid and the dispute as to the Disputed Amount shall be determined in accordance with clause 30 (Problem Escalation and Resolution).
- 8.7 Where it is determined that POL was not entitled to withhold any amount of the Disputed Amount, the NFSP shall, as soon as possible after determination of the dispute, issue to POL a drawdown request for the amount determined as owing by POL to the NFSP. POL shall pay such amount within twenty (20) Business Days of receipt of the drawdown request by POL.
- 8.8 POL may retain or set off any sums owed to it by the NFSP which have fallen due and payable against any sums due to the NFSP under this Agreement or any other agreement between POL and the NFSP.

9. PROJECT SPECIFIC GRANT FUNDING

- 9.1 In addition to the Annual Grant Payment, POL shall make available additional grant monies in the form of Individual Grants for use by the NFSP for certain projects approved in accordance with Schedule 2 (each an "Approved Project").
- 9.2 Subject to sufficient Project Proposals being submitted by the NFSP and being approved in accordance with Schedule 2, the amount of grant funding in the form of Individual Grants for such Approved Projects shall be a maximum of one million GB Pounds sterling

(£1,000,000) after taking into account POL's VAT recovery position for all Individual Grants for each Financial Year (plus any unallocated amount rolled forward in accordance with clause 9.4).

By way of example, where VAT is chargeable on an Individual Grant, if POL can partly recover any of this VAT, then the same principles will apply as to the Annual Grant calculation as set out in Schedule 1 paragraph (II). Where VAT is chargeable on an Individual Grant and POL can reclaim VAT in full the Individual Grant will be provided on an exclusive of VAT basis. Three worked examples are set out below by way of illustration.

Example 1: Where an Individual Grant is £500,000 and POL's VAT recovery rate is 50%.

NFSP would invoice £454,545 + £90,909 (being the VAT thereon), meaning the total payable by POL is £545,454. POL will claim £45,455 VAT (being 50%) from HMRC, resulting in a total cost to POL of £454,545 + £45,455 = £500,000.

Example 2: Where an Individual Grant is £500,000 and POL's VAT recovery rate is 100%.

NFSP would invoice £500,000 + £100,000 (being the VAT thereon), meaning the total payable by POL is £600,000. POL will claim £100,000 VAT (being 100%) from HMRC, resulting in a total cost to POL of £500,000.

Example 3: Where an Individual Grant is £500,000 and POL's VAT recovery rate is 0%.

NFSP would invoice £416,667 + £83,333 (being the VAT thereon), meaning the total payable by POL is £500,000. POL will claim £0 VAT (being 0%) from HMRC, resulting in a total cost to POL of £500,000.

- 9.3 The NFSP may submit Project Proposals from time to time to the POL Grant Manager for consideration by POL in accordance with Schedule 2.
- 9.4 If any amount of the one million GB Pounds sterling (£1,000,000) referred to in clause 9.2 (after taking into account POL's VAT recovery position) is not awarded for Approved Projects during a Financial Year, the unallocated amount will be rolled forward and made available during the next two (2) Financial Years (the "Availability Period"). Any amount left unallocated at the end of an Availability Period will be automatically cancelled.

10. PAYMENT OF PROJECT SPECIFIC GRANT FUNDING

- 10.1 Subject to clause 5 (General Conditions of the Grant) and clause 16 (Withholding and Suspending of Grant), POL shall pay the Individual Grant to the NFSP in accordance with the payment terms of each Approved Project.
- 10.2 No Individual Grant shall be paid unless and until POL is satisfied that such payment will be used for proper expenditure in the delivery of the Approved Project.
- 10.3 The amount of the Individual Grant shall not be increased in the event of any overspend by the NFSP in its delivery of the Approved Project.

11. PURPOSE AND USE OF INDIVIDUAL GRANT

- 11.1 The NFSP shall use the Individual Grant only for the delivery of an Approved Project and in accordance with the terms and conditions set out in this Agreement and in accordance with the budget set out in the Project Proposal. For the avoidance of doubt, the amount of the Individual Grant that the NFSP may spend on any item of expenditure listed in the Project Proposal shall not exceed the corresponding sum of money listed against that item of expenditure without the prior written agreement of POL.

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- 11.2 The NFSP shall not spend any part of the Individual Grant on the delivery of an Approved Project after the expiry of the Individual Grant Period without the prior written approval of POL.
- 11.3 Should any part of the Individual Grant remain unspent at the end of the Individual Grant Period, the NFSP shall ensure that any such unspent monies are returned to POL within 30 days of the end of the Individual Grant Period or, if agreed in writing by POL (POL being bound not to unreasonably withhold or delay its agreement in this regard), the NFSP shall be entitled to retain the unspent monies to use for another Approved Project. If the NFSP wishes to retain the unspent monies to use for another Approved Project, NFSP shall provide POL with a written explanation as to why the funds are unspent and a proposal (in reasonable detail) as to how the unspent funds are to be used in connection with such other Approved Project and if such proposal is agreed by POL (POL being bound not to unreasonably withhold or delay its agreement in this regard), the Project Proposal for such other Approved Project shall be deemed to be updated accordingly.
- 11.4 For the avoidance of doubt, any liabilities arising at the end of the Approved Project including any redundancy liabilities for staff employed by the NFSP to deliver the Approved Project are the responsibility of the NFSP. Such liabilities must be paid for by the NFSP unless such liabilities were specifically included in the costings in the Project Proposal for such Approved Project and POL has confirmed its approval to the Individual Grant being used to fund such liabilities.

12. GENERAL PROVISIONS IN RESPECT OF GRANT MONIES

- 12.1 The Grant shall be paid into a separate bank account in the name of the NFSP which must be an ordinary business bank account. All cheques from the bank account must be signed by at least two (2) individual representatives of the NFSP.
- 12.2 The NFSP shall not transfer any part of the Grant to bank accounts which are not ordinary business accounts within the clearing bank system, without the prior written consent of POL.
- 12.3 Any Grant paid to the NFSP shall be held by the NFSP on trust for POL unless and until used for proper expenditure in the delivery of the Annual Plan or an Approved Project (as applicable).
- 12.4 The NFSP shall promptly repay to POL any money incorrectly paid to it whether as a result of an administrative error or otherwise. This includes (without limitation) situations where either an incorrect sum of money has been paid or where Grant monies have been paid in error before all conditions attaching to the Grant have been complied with by the NFSP.
- 12.5 Without prejudice to the generality of clauses 6.2 and 11.1, unless approved in writing by POL, the NFSP shall not use the Grant to:
- 12.5.1 make payments to members of its Board, its officeholders or its senior management team (other than: (i) reasonable salaries; and (ii) reasonable expenses in each case as are necessary in order to deliver the activities and objectives set out in the Annual Plan or to deliver an Approved Project), provided always that: (a) the NFSP will be deemed to be acting reasonably where it is required to pay salaries or expenses to comply with Applicable Law, including as a result of equal pay legislation; and (b) POL's approval will not be required to the extent that the NFSP receives funds from any other sources and uses such funds to make payments to certain individuals. In such circumstances, POL's approval will be restricted only to approving the element of the payment which is funded by the Grant;
 - 12.5.2 purchase buildings or land; or

12.5.3 pay for any expenditure commitments of the NFSP entered into before the Award Date of the Individual Grant or the putting in place of the Annual Plan in accordance with clause 4.8.

12.6 Where HMRC deem VAT is due on any payment of the Grant, the Grant shall be paid to provide funding to the NFSP inclusive of any VAT, up to a maximum cost of £1,500,000 (one million five hundred thousand GB Pounds sterling) to POL when taking into account any irrecoverable VAT to be borne by POL.

13. MONITORING, REPORTING AND REVIEW

13.1 The NFSP shall certify compliance with the Annual Plan and demonstrate how the Annual Grant Payment has been spent in accordance with the Annual Plan (and highlight any discrepancies).

13.2 The NFSP shall provide POL with a financial report and an operational report on its use of each Individual Grant for delivery of each Approved Project as a minimum every Quarter and in such format as POL may reasonably require. The NFSP shall provide POL with each report within one (1) month of the last day of the Quarter to which it relates.

13.3 The NFSP shall on request provide POL with such further information, explanations and documents as POL may reasonably require in order for it to establish that each Annual Grant Payment and/or each Individual Grant has been used properly in accordance with this Agreement, including details of costs incurred and payments made, broken down to a level to demonstrate that good financial management is in place and in accordance with good industry practice.

13.4 The NFSP shall permit any person authorised by POL such reasonable access to its Personnel, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the NFSP's fulfilment of the conditions of this Agreement and shall, if so required, provide appropriate oral or written explanations from them.

13.5 The NFSP shall permit any person authorised by POL for that purpose to visit the NFSP once every Quarter to monitor the delivery of the Annual Plan and/or an Approved Project. Where POL and NFSP agree (both parties acting reasonably) that additional visits are necessary to monitor the delivery of the Annual Plan and/or an Approved Project, POL shall be entitled to authorise any person to make such visits at all such reasonable times on its behalf, provided that if POL has reasonable grounds to believe that the Grant is being used other than in accordance with this Agreement, POL shall be entitled to authorise any person to make such visits without the need for further agreement of NFSP.

13.6 The NFSP shall provide POL with a final report on completion of each Individual Grant Period which shall confirm whether the Approved Project has been successfully and properly completed.

13.7 Following the end of the first six (6) month period of each Financial Year, and following the end of each Financial Year (the relevant period of 6 months or 12 months being the "Review Period"), the parties shall meet to review (the "Review"):

13.7.1 whether it can be reasonably demonstrated that the NFSP is a Representative Organisation;

13.7.2 whether it can be reasonably demonstrated that during the Review Period, the NFSP used the Annual Grant Payment in accordance with the Annual Plan, including:

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- (a) whether the NFSP carried out the activities and offered the benefits to Postmasters, as set out in the Annual Plan in accordance with clause 4.6.1(a) and in each case whether these met the Annual Grant Funding Purpose;
 - (b) whether the NFSP met the objectives/key milestones for the Review Period set out in the Annual Plan in accordance with clause 4.6.1(b) by the dates set out in the Annual Plan and whether any metrics relating to such objectives or key milestones were met;
 - (c) whether any other use of the Annual Grant Payment during the Review Period was in accordance with the proposal set out in the Annual Plan in accordance with clause 4.6.1(c), including whether the Operating Costs were:
 - (i) reasonably and properly incurred; and
 - (ii) reasonable and in line with industry benchmarks,

13.7.3 the information provided by the NFSP under clause 13.1; and

13.7.4 such other matters as the parties consider necessary,

and each such Review shall be completed within one month after the end of the Review Period to which it relates. NFSP shall co-operate and provide all reasonable information, data and records to assist POL in carrying out such Review.

13.8 Each Review shall be completed by each party signing a written Review record containing a summary of all the matters raised by either of the parties during the Review:

13.8.1 on which agreement has been reached or partly reached;

13.8.2 on which a dispute has arisen or partly arisen, with a summary of the issues, prepared by either of the parties, showing the date or dates, not later than fourteen (14) days after the end of the Review on which either party referred or intends to refer them to dispute resolution under clause 30 (Problem Escalation and Resolution), before or after the Review;

13.8.3 on which dispute has arisen or partly arisen, but which the parties have agreed to withdraw,

and if any or any part of a dispute which has arisen during the Review is not shown in the record of the Review or is not so referred to dispute resolution it shall be deemed to have been withdrawn.

13.9 The parties shall use all reasonable endeavours to expedite resolution of every dispute arising during the Review and referred to dispute resolution under clause 30 (Problem Escalation and Resolution), as practicable after completion of the Review.

14. ACCOUNTS AND RECORDS

14.1 The Grant shall be shown in the NFSP's accounts as a restricted fund and shall not be included under general funds.

14.2 The NFSP shall keep separate, accurate and up-to-date accounts and records of the receipt and expenditure of the Annual Grant Payment and Individual Grant monies received by it.

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- 14.3 The NFSP shall keep all invoices, receipts, and accounts and any other relevant documents relating to the expenditure of the Annual Grant Payment and/or the Individual Grant for a period of at least six (6) years following receipt of any Annual Grant Payment or Individual Grant monies to which they relate. POL shall have the right to review, at POL's reasonable request, the NFSP's accounts and records that relate to the expenditure of the Annual Grant Payment and/or Individual Grant and shall have the right to take copies of such accounts and records including for the avoidance of doubt bank statements.
- 14.4 The NFSP shall provide POL with a copy of its annual accounts within six (6) months (or such lesser period as POL may reasonably require) of the end of the relevant Financial Year in respect of each year in which the Annual Grant Payment and/or Individual Grant is paid.
- 14.5 The NFSP shall comply and facilitate POL's compliance with all statutory requirements as regards accounts, audit or examination of accounts, annual reports and annual returns applicable to itself and POL.

15. WARRANTIES

- 15.1 The NFSP makes the representations and warranties in clauses 15.1.1 to 15.1.13 (inclusive) on the date of this Agreement:
- 15.1.1 that it is a recognised legal entity and that it has the power to own its assets and carry on its business as it is being conducted;
 - 15.1.2 that the execution, delivery and performance of the obligations in this Agreement do not and will not contravene or conflict with the NFSP's constitutional documents, any other agreement or any law or regulation;
 - 15.1.3 that it has taken all necessary action and obtained all required authorisations to enable it to execute, deliver and perform its obligations under this Agreement;
 - 15.1.4 that all information provided to POL (in written or electronic format) in connection with this Agreement is, to the best of the NFSP's knowledge and belief at the time of such provision, complete, true and accurate in all material respects;
 - 15.1.5 that no Event of Withholding or potential Event of Withholding has occurred, is continuing or will occur when an Annual Grant Payment or Individual Grant is paid;
 - 15.1.6 that it has all necessary resources and expertise to deliver each Approved Project (assuming due receipt of the Individual Grant);
 - 15.1.7 that it has not committed, nor shall it commit, any offence under the Bribery Act;
 - 15.1.8 that it shall at all times comply with all relevant legislation and all applicable codes of practice and other similar codes or recommendations, and shall notify POL promptly of any significant departure from such legislation, codes or recommendations;
 - 15.1.9 that it shall comply with the requirements of the Health and Safety at Work etc. Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to the NFSP's Personnel and other persons working on an Approved Project;
 - 15.1.10 that it has and shall keep in place systems to deal with the prevention of fraud and/or administrative malfunction;

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- 15.1.11 that it is not subject to any contractual or other restriction imposed by its own or any other organisation's rules or regulations or otherwise which may prevent or materially impede it from meeting its obligations in connection with the Annual Grant Payment and/or an Individual Grant;
- 15.1.12 that it is not aware of anything in its own affairs, which it has not disclosed to POL, which might reasonably have influenced the decision of POL to make the Annual Grant Payment and/or an Individual Grant on the terms contained in this Agreement; and
- 15.1.13 that since the date of its last accounts there has been no material change in its financial position or prospects.
- 15.2 The NFSP repeats the representations and warranties in this clause 15 on:
- 15.2.1 the date of submission of each drawdown request;
- 15.2.2 each Payment Date;
- 15.2.3 each Project Proposal Submission Date; and
- 15.2.4 each Award Date.

16. WITHHOLDING AND SUSPENDING OF GRANT

- 16.1 POL's intention is that the Grant will be paid to the NFSP in full. If there is an Event of Withholding, without prejudice to POL's other rights and remedies, POL may at its discretion (POL being bound to act reasonably in this regard) having given the NFSP an opportunity to remedy such Event of Withholding (if the Event is Withholding is capable of remedy) in accordance with the process and timescales set out in clause 16.4.1 and the NFSP fails to so remedy the Event of Withholding:
- 16.1.1 withhold or suspend payment of any Annual Grant Payment for any future Financial Year (or any future drawdown of the Annual Grant Payment for the current Financial Year); or
- 16.1.2 withhold or suspend payment of any payments in respect of an Individual Grant,
- but POL may not require repayment of all or part of the Grant which has been paid to NFSP, except as set out in clauses 6.4, 11.3, 17.3.1 or 17.3.2.

16.2 Event of Withholding

"Event of Withholding" means any of the following events or circumstances:

- 16.2.1 the NFSP commits a breach of any of its obligations under clause 5 (General Conditions of the Grant) and/or clause 12 (General Provisions in respect of Grant Monies);
- 16.2.2 the NFSP commits a material breach of any of its obligations under clause 6.2 or 6.3 (Annual Grant Funding);
- 16.2.3 the NFSP uses any Individual Grant for purposes other than those for which they have been awarded or materially fails to comply with the terms of the agreed Project Proposal;

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- 16.2.4 the delivery of an Approved Project does not start within forty five (45) Business Days following the relevant Award Date and the NFSP has failed to provide POL with a reasonable explanation for the delay;
 - 16.2.5 the NFSP provides POL with any materially misleading or materially inaccurate information; or
 - 16.2.6 the NFSP is otherwise in material breach of its obligations under this Agreement.

16.3 Notification

The NFSP shall promptly upon the NFSP becoming aware of its occurrence give written notice to POL:

- 16.3.1 of the occurrence and details of any Event of Withholding; and
- 16.3.2 of any event or circumstance which may, with the passage of time or otherwise, constitute or give rise to an Event of Withholding.

16.4 Action by POL

- 16.4.1 Subject to clause 16.4.2, on the occurrence of an Event of Withholding or within a reasonable time after POL becomes aware of the same (whether or not a notice has been given by the NFSP pursuant to clause 16.3) and while the same is subsisting, POL may serve notice of default on the NFSP requiring the NFSP to remedy the Event of Withholding referred to in such notice of default (if the same is continuing) within twenty (20) Business Days of such notice of default.
- 16.4.2 POL shall not be required to serve a notice of default on the NFSP where the Event of Withholding is incapable of remedy.

16.5 Failure to Remedy

Where the NFSP fails to remedy the Event of Withholding notified in a notice of default served under clause 16.4.1 before the expiry of the period referred to in clause 16.4.1 then such Event of Withholding shall be deemed to be an Event of Termination and POL may terminate this Agreement in its entirety by written notice to the NFSP with immediate effect.

16.6 Event of Termination

"Event of Termination" means any of the following events or circumstances:

- 16.6.1 an Event of Withholding which the NFSP fails to rectify in accordance with clause 16.5;
- 16.6.2 the NFSP commits a material breach of any of its obligations under clause 22 (Confidentiality);
- 16.6.3 an Event of Withholding which is incapable of remedy.

16.7 Notification

The NFSP shall promptly upon the NFSP becoming aware of its occurrence give written notice to POL:

- 16.7.1 of the occurrence and details of an Event of Termination; and

16.7.2 of any event or circumstance which may, with the passage of time or otherwise, constitute or give rise to an Event of Termination.

16.8 POL's Option to Terminate

On the occurrence of an Event of Termination or within a reasonable time after POL becomes aware of the same (whether or not a notice has been given by the NFSP pursuant to clause 16.7) and while the same is subsisting, POL may terminate this Agreement in its entirety by notice in writing to the NFSP having immediate effect.

17. CONSEQUENCES OF TERMINATION

17.1 Immediately upon the termination of this Agreement, the NFSP shall, subject to clause 17.4, stop using POL Intellectual Property and any signs and other display or advertising matter (including Licensed Materials) indicative of POL or of any association with POL and deliver up the Licensed Materials to POL.

17.2 The termination of this Agreement will not affect the coming into force or the continuation in force of any of its provisions which expressly or by implication are intended to come into force or continue in force on or after the termination (including, but not limited to, clause 22 (Confidentiality), clause 23 (Freedom of Information) and clause 24 (Data Protection)).

17.3 The NFSP shall pay to POL within thirty (30) days of the date of termination of this Agreement an amount equal to:

17.3.1 the amount of Annual Grant previously paid to the NFSP for the Quarter in which this Agreement terminates on a pro rata basis for the unexpired period of the Quarter; and

17.3.2 the amount of any Individual Grant awarded prior to the date of termination but unspent by the NFSP at such date unless, in relation to any Individual Grant, POL notifies the NFSP in writing prior to the date of termination that such Individual Grant shall continue in force following termination.

17.4 Where POL notifies the NFSP in accordance with clause 17.3.2, the termination of this Agreement shall not affect the continuance in force of any such Individual Grant awarded prior to the date of termination.

17.5 The NFSP acknowledges that it shall not be entitled to receive any compensation or other sums in the event of the termination or suspension of this Agreement for any reason whatsoever.

18. FORCE MAJEURE

18.1 Subject to the remaining provisions of this clause 18, neither party to this Agreement shall be liable to the other for any delay or non-performance of its obligations under this Agreement to the extent that such delay or non-performance is due to a Force Majeure Event.

18.2 In the event that either party is delayed or prevented from performing its obligations under this Agreement by a Force Majeure Event, such party shall:

18.2.1 use all reasonable endeavours to mitigate the effects of such delay or prevention on the performance of its obligations under this Agreement; and

18.2.2 resume performance of its obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.

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- 18.3 A party cannot claim relief if the Force Majeure Event is attributable to that party's wilful act, neglect or failure to take reasonable precautions against the relevant Force Majeure Event.

19. LIMITATION OF LIABILITY

- 19.1 Subject to clause 19.3, POL accepts no liability for any consequences, whether direct or indirect, that may come about from the NFSP undertaking any activities in accordance with the Annual Plan, running an Approved Project, the use of the Grant or from withdrawal of the Grant. The NFSP shall indemnify and hold harmless POL, its employees, agents, officers or sub-contractors with respect to all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising from or incurred by reason of the actions and/or omissions of the NFSP in relation to the activities undertaken in accordance with the Annual Plan, an Approved Project, the non-fulfilment of obligations of the NFSP under this Agreement or its obligations to third parties.
- 19.2 Subject to clause 19.1 and subject to clause 16 (Withholding and Suspending of Grant), POL's liability under this Agreement is limited to the payment of the Grant.
- 19.3 Notwithstanding any other provision of this Agreement, neither party excludes or limits its liability for:
- 19.3.1 fraud;
 - 19.3.2 death or personal injury caused by its negligence; or
 - 19.3.3 any other liability which cannot lawfully be limited or excluded.

20. INTELLECTUAL PROPERTY LICENCE

Subject to the terms of this Agreement, POL grants to the NFSP a non-exclusive, non-transferable, revocable licence to use the Licensed Materials solely for purposes approved in the Annual Plan and/or an Approved Project.

21. LICENSED MATERIALS

- 21.1 The NFSP shall:
- 21.1.1 only use the Licensed Materials in connection with the activities approved in the Annual Plan and/or an Approved Project. POL may remove or withdraw from the NFSP any materials or other things whatsoever which are not Licensed Materials or are not being used in accordance with this Agreement;
 - 21.1.2 not reproduce any Licensed Materials or any POL Intellectual Property, unless expressly authorised in writing by POL;
 - 21.1.3 not use any Licensed Materials in any way that is liable to mislead the public or which would otherwise be detrimental to or inconsistent with the good name, goodwill, reputation or image of POL;
 - 21.1.4 not use any Licensed Materials in conjunction with any other marks or names without the prior written consent of POL;
 - 21.1.5 on request by POL, promptly deliver up to POL or, at POL's discretion, destroy, all Licensed Materials or any specified Licensed Materials;
 - 21.1.6 not seek to register as a trade mark or as a business name or corporate name or any domain name, any mark or name the same as or which includes or may be

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- confused with any POL Intellectual Property or any other trade mark or name owned or used by POL or Post Office Group;
- 21.1.7 not make any representation or do any act which may be taken to indicate that the NFSP has any right, title or interest in or to the ownership or use of the POL Intellectual Property other than as conferred by this Agreement;
 - 21.1.8 not challenge the validity of any POL Intellectual Property or the title of POL or any other member of the Post Office Group to the POL Intellectual Property; and
 - 21.1.9 when requested, give to POL all reasonable assistance in obtaining registrations of POL's rights in any trade marks or other Intellectual Property.
- 21.2 The NFSP shall not use the Trade Marks or the POL Intellectual Property except:
- 21.2.1 as part of the Licensed Materials; and
 - 21.2.2 where the NFSP has obtained the specific prior written consent of POL in respect of the proposed use of the Trade Marks in respect of activities approved in the Annual Plan (including on any website operated by the NFSP) and/or an Approved Project.
- 21.3 No warranty express or implied is given by POL with respect to the POL Intellectual Property or its validity.
- 21.4 The NFSP has no right to sub-licence or assign the Licensed Materials or any POL Intellectual Property, without the express prior written consent of POL.
- 21.5 The NFSP must promptly notify POL of any infringement, threatened infringement, passing-off or misuse of POL Intellectual Property. POL will conduct any claim or action and the NFSP must provide such assistance in any action POL may take as POL reasonably requires. No other action should be taken by the NFSP.

22. CONFIDENTIALITY

- 22.1 Subject to POL's rights set out in clauses 22.3 and 23 (Freedom of Information), the parties shall keep confidential all Confidential Information obtained in the course of this Agreement and shall not disclose such information to any person (except where necessary for the purposes of this Agreement to its own Personnel), but this clause 22.1 shall not extend to information which:
- 22.1.1 was rightfully in the possession of the relevant party before the Commencement Date and in respect of which that party is not subject to any other obligation of confidentiality to the other party;
 - 22.1.2 is already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this clause 22.1); or
 - 22.1.3 is required to be disclosed by law or any governmental or regulatory body.
- 22.2 Each party shall ensure that its Personnel are aware of and comply with this clause 22. POL shall not be liable for loss or damage for disclosing any Information belonging to the NFSP in accordance with the FOIA and/or the Environmental Information Regulations 2004 (SI 2004/3391) provided POL has used its reasonable endeavours, where permitted to do so by law, to notify the matter to the NFSP prior to disclosure.

22.3 All Confidential Information in any format must be returned by the NFSP to POL or by POL to the NFSP (as applicable) on request or must be securely disposed of in accordance with instructions issued by the other party.

23. FREEDOM OF INFORMATION

The NFSP acknowledges that POL is subject to the requirements of the FOIA and the Environmental Information Regulations 2004 (SI 2004/3391) together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation and shall assist and co-operate with POL (at the NFSP's expense) to enable POL to comply with these information disclosure requirements.

24. DATA PROTECTION

POL and the NFSP shall enter into a separate data sharing agreement (in the form set out in Schedule 4) on or around the Restatement Date which will set out the framework for the sharing of Personal Data between them as Controllers.

25. AUDIT

25.1 The NFSP shall provide to POL all information, documents, records and the like in the possession of, or available to, the NFSP as may be reasonably requested by POL for any purpose in connection with this Agreement including, but not limited to, for the purposes of complying with any audit requirements of any regulatory body and for ensuring compliance by the NFSP with its obligations under this Agreement.

25.2 If requested to do so by POL in writing at any time prior to the end of any Financial Year, the NFSP shall within 30 days of the end of such Financial Year appoint an independent auditor to confirm that the Grant has been used in accordance with the terms and conditions of this Agreement (each such requested audit being an "Annual Grant Audit").

25.3 If POL has so requested that an Annual Grant Audit be carried out pursuant to clause 25.2 then, the NFSP shall:

25.3.1 notify POL of the identity of the auditors appointed to conduct Annual Grant Audits and the terms of reference for such audit, and POL shall within 14 days of such notification inform the NFSP if it wishes to raise any concerns in respect of the terms of reference. The NFSP shall give full consideration to any concerns raised by POL in relation to the terms of reference, and make such changes as are appropriate in relation thereto;

25.3.2 procure that each requested Annual Grant Audit is completed within 90 days of the end of the relevant Financial Year, and shall allow the appointed auditor access to any of the NFSP's premises, personnel and relevant records as may be reasonably required in order for it to complete the Annual Grant Audit. The NFSP shall provide a copy of the audit report relating to each requested Annual Grant Audit to POL, and shall make a copy accessible to NFSP members; and

25.3.3 bear its own costs and expenses incurred in relation to each requested Annual Grant Audit.

26. EQUALITY ACT 2010

26.1 The NFSP shall not, and shall take all reasonable steps to ensure that its Personnel shall not, breach the requirements of the EA in respect of the activities carried out by the NFSP pursuant to this Agreement.

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- 26.2 The NFSP shall be solely responsible on its own behalf and on behalf of POL, for ensuring that the manner in which the NFSP provides benefits to members under the terms of this Agreement, at all times comply with the requirements of the EA and failure to comply with the EA will constitute a material breach of this Agreement.
- 26.3 In order for the NFSP to monitor its own compliance with the requirements of the EA and demonstrate compliance to POL, the NFSP shall:
- 26.3.1 carry out regular self-audits to assess compliance with the EA (at its own cost); and
 - 26.3.2 provide a copy of the latest self-audit report to POL within fourteen (14) days of receiving a request from POL and be prepared to discuss it with POL if required; and
 - 26.3.3 in any case, if the audit report shows that the requirements of the EA are not being met then the NFSP shall immediately inform POL in writing; and shall comply with any instructions issued by POL as a result until compliance with its obligations under the EA has been achieved.
- 26.4 The NFSP shall co-operate fully with any and all monitoring and audit activities undertaken by or on behalf of POL in order to assess compliance by the NFSP with the EA.
- 26.5 If such monitoring or audit activity shows that the requirements of the EA are not being met then the NFSP shall comply with any instructions issued by POL as a result until compliance with its obligations under the EA has been achieved.

27. HUMAN RIGHTS

- 27.1 The NFSP shall (and shall use its reasonable endeavours to procure that its Personnel) at all times comply with the provisions of the Human Rights Act 1998 in the performance of this Agreement as if the NFSP were a public body (as defined in the Human Rights Act 1998).
- 27.2 The NFSP shall undertake, or refrain from undertaking, such acts as POL requests so as to enable POL to comply with its obligations under the Human Rights Act 1998.

28. INSURANCE

- 28.1 The NFSP shall at its own cost effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover (the "Required Insurances") in respect of all risks which may be incurred by the NFSP, arising out of the NFSP's performance of this Agreement, including death or personal injury, loss of or damage to property or any other loss.
- 28.2 The NFSP shall give POL, on request, copies of all insurance policies referred to in this clause 28 or a broker's verification of insurance to demonstrate that the Required Insurances are in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 28.3 If, for whatever reason, the NFSP fails to give effect to and maintain the Required Insurances, POL may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the NFSP.
- 28.4 The terms of any insurance or the amount of cover shall not relieve the NFSP of any liabilities under this Agreement.

29. ASSIGNMENT

The NFSP shall not transfer, assign, charge, sub-contract or otherwise deal with this Agreement without the prior written consent of POL or except as contemplated as part of the Annual Plan or an Approved Project, transfer or pay to any other person any part of the Annual Grant Payment or Individual Grant (as applicable).

30. PROBLEM ESCALATION AND RESOLUTION

30.1 First Instance

Any question or difference which may arise concerning the construction, meaning, effect or operation of this Agreement or any matter arising out of or in connection with this Agreement shall in the first instance be referred to the POL Grant Manager and the NFSP Grant Manager, who shall meet to seek to resolve the issue as soon as reasonably practicable.

30.2 Failure to Resolve at First Instance

30.2.1 If the matter is not resolved at the meeting of the POL Grant Manager and the NFSP Grant Manager, or if no meeting takes place within two (2) weeks of being referred to the POL Grant Manager and the NFSP Grant Manager, the matter shall be referred to the next level of management in accordance with clause 30.3 (Hierarchy) who must meet within ten (10) Business Days or such other period as the parties may agree to attempt to resolve the matter.

30.2.2 If the matter is not resolved at that meeting, the escalation shall continue with the same maximum time interval through one or more levels of management.

30.2.3 The parties shall use reasonable endeavours to complete process as quickly as possible.

30.3 Hierarchy

The levels of escalation for the purposes of this clause 30 (Problem Escalation and Resolution) are:

Level	POL	NFSP
First	POL Grant Manager	Chief Executive Officer
Second	Retail and Franchise Network Director	Chair
Third	Group Chief Finance Officer	Board of Directors

If any of the above is unable to attend a meeting, a substitute may attend provided that the substitute has the same authority and is authorised to settle the unresolved matter. Where any of the job titles referred to in this clause 30.3 change and/or are replaced following the Commencement Date, the nearest equivalent job title shall be deemed to apply of the purposes of this clause 30.3.

30.4 Mediation

If the matter is not resolved after escalation to the third level under clause 30.3 (Hierarchy), the parties will attempt to settle it by mediation in accordance with the CEDR Model

Mediation Procedure. To initiate the mediation, either party must give notice in writing ("ADR notice") to the other party requesting a mediation. A copy of the request should be sent to CEDR Solve. The mediation will start not later than thirty (30) days after the date of the ADR notice.

30.5 Initiation of Proceedings

Neither party may terminate this Agreement in reliance on, or initiate any court proceedings in respect of, any matter until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other party has failed to participate in the mediation provided that the right to issue proceedings (including for interim remedies) is not prejudiced by a delay.

31. PROTOCOL GOVERNING THE PARTIES' WAYS OF WORKING

The parties shall operate in accordance with the Protocol in their dealings with each other in connection with this Agreement.

32. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties with respect to its subject matter. No representations or agreements, oral or otherwise, between the parties not included within this Agreement shall be of any force or effect.

33. NOTICES

33.1 Unless otherwise specified in this Agreement, any notice to be given in respect of this Agreement shall be in writing and may be delivered personally by hand or posted by pre-paid Special Delivery post addressed to POL or the NFSP as appropriate at:

33.1.1 in the case of POL, 100 Wood Street, London EC2V 7ER;

33.1.2 in the case of the NFSP, Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, West Sussex BN43 5AZ,

or such other address as the relevant party may have notified to the other in writing.

33.2 Notices shall be deemed to have been received immediately if delivered personally by hand or at 9am on the second Business Day after posting in accordance with clause 33.1.

34. VARIATION

An amendment to this Agreement is ineffective unless it is in writing, expressly purports to amend this Agreement and is executed by both parties as a deed.

35. CHOICE OF LAW AND JURISDICTION

This Agreement shall be governed and construed according to the law of England and the parties agree to submit to the exclusive jurisdiction of the English Courts.

36. MISCELLANEOUS

36.1 If any provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any rule of law or public policy, that provision shall be severed; all other provisions of this Agreement shall remain in full force and effect.

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- 36.2 No failure or delay by POL in requiring performance by the NFSP of any provision of this Agreement shall in any way affect the right of POL to enforce such provision. The waiver by POL of any breach of any term of this Agreement shall not be taken or held to be a waiver of any further breach of the same or any other term.
- 36.3 The rights and remedies provided by this Agreement are cumulative and (except as otherwise provided in this Agreement) are not exclusive of any rights or remedies provided by law.
- 36.4 If any one or more of the terms of this Agreement is held to be invalid or unenforceable by a Court of competent jurisdiction but would be valid if part of the wording was deleted then the term(s) shall apply with the minimum modifications necessary to make them valid and effective. It is intended and understood by the parties that any invalidity or unenforceability will not affect the application of the remaining obligations in this Agreement.
- 36.5 In the event of any conflict between the Protocol and this Agreement, this Agreement shall take precedence.
- 36.6 Nothing in this Agreement shall be construed as constituting a partnership between the parties or as constituting either party as the agent of the other for any purpose whatsoever except as specified by the terms of this Agreement. The NFSP and POL acknowledge that they are independent of each other and neither party is authorised to speak on behalf of or otherwise represent the other party.
- 36.7 No term of this Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Agreement.
- 36.8 This Agreement shall be executed as a deed and may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Agreement, but all the counterparts shall together constitute the same agreement.
- 36.9 This Agreement shall not be binding until it has been executed and delivered by all parties to it.

THIS AGREEMENT has been entered into as a deed on the date stated at the beginning of it.

Executed as a Deed by the affixing)
of the COMMON SEAL of)
Post Office Limited)
in the presence of:)
a person authorised by)
Post Office Limited)
to act for that purpose)

Executed as a Deed by)
The National Federation of Subpostmasters)

.....

George Ritchie Thomson

General Secretary

Witness signature.....

Witness name.....

Witness address.....

.....

.....

.....

Witness occupation.....

.....

Paul Christopher Haines

Member of the Executive Council

Witness signature.....

Witness name.....

Witness address.....

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Witness occupation.....

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Ian Christopher Park

Member of the Executive Council

Witness signature.....

Witness name.....

Witness address.....

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Witness occupation.....

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James Arthur Nott

Chair of NFSP Trustees

Witness signature.....

Witness name.....

Witness address.....

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Witness occupation.....

SCHEDULE 1 – CALCULATION OF ANNUAL GRANT PAYMENT

The Annual Grant Payment for the relevant Financial Year shall be calculated as follows:

- I. Subject to the requirements set out in clause 4 and any adjustments to timing/payments necessary to accommodate implementation of this Agreement part way through the first Financial Year, the Annual Grant Payment for the relevant Financial Year shall be calculated as follows.
- II. The Annual Grant Payment shall be a maximum of £1,500,000 (one million five hundred thousand GB Pounds sterling) taking into account any irrecoverable VAT incurred by POL where VAT is deemed to be chargeable by HMRC, minus the total continuing membership subscription revenue received by the NFSP attributable to the relevant Financial Year. Where HMRC determine that VAT is chargeable on the Annual Grant Payment and POL can reclaim the VAT in full the Annual Grant Payment will be provided on an exclusive of VAT basis. Where HMRC deem VAT is due on the Annual Grant Payment, the Annual Grant Payment shall be paid inclusive of VAT.

Three worked examples are set out below by way of illustration where VAT is chargeable on the Annual Grant Payment:

Example 1: Where POL's VAT recovery rate on the Annual Grant Payment is 50%. NFSP would invoice £1,363,636 + £270,270 (being the VAT thereon), meaning the total payable by POL is £1,636,363. POL will claim £136,363 VAT (being 50%) from HMRC, resulting in a total cost to POL of £1,363,636 + £136,363 = £1.499m.

Example 2: Where POL's VAT recovery rate on the Annual Grant Payment is 45%. NFSP would invoice £1,351,351 + £272,727 (being the VAT thereon), meaning the total payable by POL is £1,621,621. POL will claim £121,622 VAT (being 45%) from HMRC, resulting in total cost to POL of £1,351,351 + £148,648 = £1.5m.

Example 3: Where POL's VAT recovery rate on the Annual Grant Payment is 55%. NFSP would invoice £1,376,147 + £275,229 (being the VAT thereon), meaning the total payable by POL is £1,651,376. POL will claim £151,376 VAT (being 55%) from HMRC, resulting in total cost to POL of £1,376,147 + £123,853 = £1.5m.

- III. The actual figures for the Quarterly total continuing membership subscription for the first Quarter of the first Financial Year, will not be known by the beginning of the second Quarter of the first Financial Year, so the same estimated figures shall apply, so that the relevant Annual Grant Payment for that second Quarter will be a second payment £200,000.
- IV. The actual figures for the Quarterly total continuing membership subscription for first Quarter of the first Financial Year should be known by the beginning of the third Quarter of the first Financial Year, so the relevant Annual Grant Payment for the third Quarter will be £200,000 minus or plus the amount that the actual Quarterly total continuing membership subscription revenue for the first Quarter exceeds, or is less than, the estimated figure for the first Quarter of £175,000.
- V. The same method of calculation will be used for subsequent Quarters, so that, in each Quarter, there may be a balancing adjustment to the base Annual Grant Payment of £200,000, by reference to the known actual total continuing membership subscription revenue received two Quarters previously.



SCHEDULE 2 – APPROVED PROJECTS

1. PROJECT PROPOSALS AND APPROVAL

- 1.1 The NFSP may from time to time submit proposals for funding for projects to benefit Postmasters.
- 1.2 Any such proposal shall be in the form of the template provided by POL (as amended by POL from time to time) (a "Project Proposal") and submitted to the POL Grant Manager for consideration by POL. The date of submission of a Project Proposal is the "Project Proposal Submission Date". Project Proposals must be for the benefit of Postmasters.
- 1.3 POL shall consider each Project Proposal within 20 (twenty) Business Days of the Project Proposal Submission Date and as soon as reasonably practicable thereafter shall confirm whether or not it approves the Project Proposal. Project Proposals shall only be approved by POL if POL is satisfied that the project will benefit Postmasters. The date upon which POL approves a Project Proposal shall be the "Award Date". POL must act reasonably in respect of all decisions as to whether or to approve a Project Proposal and shall not unreasonably withhold or delay its approval of a Project Proposal.
- 1.4 Where POL confirms its approval of the Project Proposal in accordance with paragraph 1.3, such project shall become an "Approved Project" from the Award Date for the purposes of this Agreement and POL shall confirm the amount of the Individual Grant awarded for each Approved Project and also the payment terms.
- 1.5 Where POL confirms that it does not approve the Project Proposal, it shall provide comments on the Project Proposal to the NFSP. The NFSP may submit to the POL Grant Manager for consideration by POL a revised draft of the Project Proposal, taking into account POL's comments, within 20 (twenty) Business Days of receipt of POL's comments on the Project Proposal and the provisions of paragraph 1.3 shall apply in respect of such revised draft of the Project Proposal.
- 1.6 POL will confirm the completion date (the "Project Completion Date") for each Approved Project. The Individual Grant will run from the Award Date to the Project Completion Date for each Approved Project.

SCHEDULE 3 – PROTOCOL HIGH LEVEL PRINCIPLES

1. Both parties to agree ways of working on an operational day to day basis. This may include, but not necessarily be limited to:
 - a. How POL and the NFSP engage with one another.
 - b. Mutual sharing of data, to the extent permitted by law.
 - c. Communications between the parties.
 - d. Working together.
 - e. Escalation of issues.

2. Ways of working to focus on the Annual Grant Funding Purpose, as defined in clause 1.1 of this Agreement (in summary: negotiate, challenge, represent and provide welfare and support).

SCHEDULE 4 – DATA SHARING AGREEMENT

Dated 16 September 2024.....

(1) POST OFFICE LIMITED

- and -

(2) NATIONAL FEDERATION OF SUBPOSTMASTERS

DATA SHARING AGREEMENT

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THIS AGREEMENT is made the16..... day ofSeptember.....2024

BETWEEN:

- (1) **Post Office Limited**, a company incorporated in England under company number 02154540 whose registered office is at 100 Wood Street, London EC2V 7ER ("**POL**"); and
- (2) **National Federation of Subpostmasters**, a company incorporated in England under company number 09771284 whose registered office is at Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, United Kingdom BN43 5AZ ("**NFSP**")

each a "**party**".

BACKGROUND:

- (A) POL and National Federation of Subpostmasters (an unincorporated association) entered into a Grant Framework Agreement dated 21 July 2015 for a term of fifteen (15) years, unless terminated earlier in accordance with the terms of the agreement.
- (B) At the time that the Grant Framework Agreement was entered into, NFSP was an unincorporated organisation. NFSP incorporated on 10 September 2015 and POL, the incorporated NFSP and the unincorporated NFSP entered into a Novation Agreement on 12 December 2016 such that the assets and liabilities that arise under the Grant Framework Agreement transferred from the unincorporated NFSP to the incorporated NFSP.
- (C) Under the Grant Framework Agreement, postmasters are entitled to free membership of NFSP.
- (D) This Agreement sets out the terms and conditions on which POL and NFSP will share certain data during the remainder of the term of the Grant Framework Agreement in order to: (i) facilitate the free membership of NFSP; and (ii) for certain other purposes set out in Clause 4 of this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement unless the context otherwise requires the following words and expressions shall have the following meanings:

"Applicable Law" means any applicable:

- (a) statute, directive, order, enactment, regulation or subordinate legislation in force from time to time;
- (b) the common law and the law of equity;
- (c) binding court order, judgment or decree; and
- (d) binding industry code or practice, guidance, policy or standard enforceable by law,

as applicable in the United Kingdom;

"Branch Data" means data relating to Post Office branches (which may include postmaster name, postmaster contract number, a FAD Code, date of appointment, the address of the branch and other contact details, such as email address and phone number, the type of branch, customer sessions numbers, branch remuneration and Mails compliance data) shared between the parties pursuant to this Agreement;

"Business Day"	means a day which is not a Saturday or Sunday or a bank or national holiday in England;
"Controller"	has the meaning given to it in Data Protection Law;
"Processor"	has the meaning given to it in Data Protection Law;
"Data Protection Law"	means any and all Applicable Laws in force from time to time in the UK which relate to privacy, data protection and the protection of individuals with regards to the processing of Personal Data and to which a Party is subject, including the UK GDPR, the DPA, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all other applicable legislation, regulations, codes of practice and requirements of any relevant government or governmental agency, regulator, or any other applicable body in respect of the processing of Personal Data and any legally binding guidance or codes of practice that may from time to time be issued by the Information Commissioner (or any successor regulator);
"DPA"	means the Data Protection Act 2018;
"Effective Date"	means the date of this Agreement;
"FAD Code"	a unique Post Office branch identifying number;
"Grant Framework Agreement"	means the agreement referred to in Recitals A and B of this Agreement;
"Intellectual Property Rights"	patents, utility models, rights to inventions, copyright and neighbouring and related rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection that subsist or will subsist now or in the future in any part of the world;
"NNL Review Panel"	shall have the meaning given to it in Clause 4.1.7 of this Agreement;
"NNL Review Panel ToR"	shall have the meaning given to it in Clause 4.1.7 of this Agreement;
"Permitted Purpose"	shall have the meaning given to it in Clause 3.4 of this Agreement;
"Personal Data"	has the meaning given to it in Data Protection Law;
"Personal Data Breach"	has the meaning given to it in Data Protection Law;
"Processing"	(a) in relation to Personal Data has the meaning given to it in Data Protection Law; and

(b) in relation to non-Personal Data shall mean means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction;

and "**Processes**", "**Processed**" and "**Process**" shall be construed accordingly;

"Termination Date" means the date on which this Agreement expires or is terminated in accordance with Clause 10; and

"UK GDPR" has the meaning given to it in section 3(1) (as supplemented by section 205(4)) of the DPA.

- 1.2 Clause, Schedule, Appendix and Paragraph headings shall not affect the interpretation of this Agreement.
- 1.3 A "person" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.4 A reference to a "company" shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.7 A reference to "writing" or "written" includes communication by email.
- 1.8 Any words following the terms including, include, in particular or for example or any similar phrase shall be construed as illustrative and shall not limit the generality of the related general words.
- 1.9 References to Clauses, Appendices and Schedules are to the clauses, appendices and schedules of this Agreement and references to Paragraphs are to paragraphs of the relevant Appendix or Schedule. Schedules shall have the same force and effect as if set out in the body of this Agreement. Appendices shall have the same force and effect as if set out in the body of this Agreement.
- 1.10 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

2. CONSIDERATION AND TERM

- 2.1 In consideration of the mutual rights and obligations set out in this Agreement, POL and NFSP agree to the terms set out in this Agreement.
- 2.2 This Agreement shall commence on and from the Effective Date and, subject to the provisions of Clause 10, shall automatically terminate contemporaneously with the termination or expiry of the Grant Framework Agreement, unless otherwise agreed between the parties.
- 2.3 The parties agree that, notwithstanding Clause 8.1 of that Agreement, the Data Sharing Agreement entered into by the parties on 16 December 2016 is terminated with effect from the Effective Date.

3. DATA SHARING TO FACILITATE MEMBERSHIP OF NFSP

- 3.1 Subject to the terms of this Agreement the parties agree to share certain Branch Data for the purpose of facilitating free membership of NFSP as set out in this Clause 3.
- 3.2 For any postmasters appointed by POL after the Effective Date, POL will provide, within the postmaster induction pack, an introductory letter outlining the NFSP free membership and application process.
- 3.3 On a monthly basis, POL will provide NFSP with the following Branch Data only: a list of all branches (comprising only FAD Code, branch postal address and branch type) where a new postmaster has been appointed in the previous month.
- 3.4 Using the Branch Data provided by POL pursuant to Clause 3.3 and subject to Clause 3.5, NFSP shall have the right to send two communications by post (addressed to the "postmaster") to each branch postal address provided by POL, advising the postmaster of the availability of free NFSP membership and providing application details (the "Permitted Purpose"). The NFSP must send the two communications at least one month apart. A phone call may also be made to the branch using the publicly available phone number for the Permitted Purpose.
- 3.5 NFSP shall not use the Branch Data provided by POL pursuant to Clause 3.3 for any purpose other than the Permitted Purpose. NFSP shall not re-identify, or endeavour to re-identify, any individual data subjects from the Branch Data provided by POL pursuant to Clause 3.3 (whether using that data alone or in combination with any other data or information). NFSP shall obtain POL's prior written approval to the timing and content of the communications it sends pursuant to Clause 3.4. NFSP shall be responsible for ensuring any communications it sends pursuant to Clause 3.4 comply in all respects with Applicable Law (including obtaining any consents and permissions required in accordance with Applicable Law including, without limitation, the Data Protection Law). On a monthly basis NFSP will provide POL with a list of all NFSP members (comprising full postmaster name and FAD Code).
- 3.6 POL shall have the right to use the information provided by NFSP pursuant to Clause 3.5 for POL's business and administration purposes, including ascertaining and recording which postmasters are NFSP members and which postmasters are not NFSP members. Postmasters will be able to opt out of and cancel NFSP membership at any time. NFSP will update its membership records on receipt of any opt out or cancellation request (whether received directly from the postmaster or via POL). In the event a postmaster informs POL of its wish to opt out or cancel NFSP membership, POL will notify NFSP in writing as soon as reasonably practicable and, in any event, within ten (10) days.

4. DATA SHARING FOR OTHER PURPOSES

- 4.1 In addition to sharing Branch Data for the purpose of facilitating free membership of NFSP as set out in Clause 3 (and subject to the terms of this Agreement) the parties may from time to time share certain Branch Data as set out below:
- 4.1.1 at the request of any postmaster, POL may share with NFSP branch remuneration data for that postmaster's Post Office branch for the purpose only of enabling NFSP to provide representation to that postmaster;
- 4.1.2 POL may share with NFSP mails compliance data for branches operated by NFSP members for the purpose only of enabling NFSP to support such branches in improving mails compliance performance;
- 4.1.3 Other non-NFSP members may also wish to benefit from mails compliance support from the NFSP. Consent for the sharing of this data (as per 4.1.2) will be sought by the NFSP for any such cases and provided to POL;
- 4.1.4 NFSP may share with POL data relating to mails compliance performance for branches operated by NFSP members;

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- 4.1.5 POL may share with NFSP details of former postmasters who are no longer operating Post Office branches for the purpose only of the NFSP updating its membership system;
- 4.1.6 at the request of any postmaster who informs POL he/she wishes to become a NFSP member, POL may share with NFSP contact details of that postmaster for the purpose only of enabling NFSP to send one communication by post to each such postmaster, providing application details for the NFSP; and
- 4.1.7 subject always to compliance with each party's respective obligations under the Terms of Reference for the New Network Location Review Panel ("NNL Review Panel"), a copy of which is attached at Schedule 1 of this Agreement ("NNL Review Panel ToR"), POL may share certain Branch Data with the NFSP as part of the panel paper (described in more detail in the NNL Review Panel ToR) for the purpose of assisting the NNL Review Panel with its review of any proposal for a new network location, and for its review of the impact of a new network location on existing post office branches. Notwithstanding the foregoing, the parties acknowledge and agree that POL will only share certain Branch Data as part of the panel paper to be discussed at the relevant meeting of the NNL Review Panel, and the NFSP warrants that it will (i) not retain or use any Branch Data shared pursuant to this Clause 4.1.7 for any other purpose; and (ii) to the extent reasonably possible, delete any Branch Data shared with it pursuant to this Clause 4.1.7.
- 4.2 NFSP shall not use any Branch Data provided by POL pursuant to Clause 4.1 for any purpose other than the specified purpose for each applicable data sharing as set out in Clauses 4.1.1 to 4.1.7 above.
- 4.3 POL shall not use any Branch Data provided by NFSP pursuant to Clause 4.1 for any purpose other than the specified purpose for each applicable data sharing as set out in Clauses 4.1.1 to 4.1.7 above.
- 4.4 In recognition of the flexibility of future working between the parties and associated potential data sharing required between the parties during the term of this Agreement, any future data sharing processes/requirements between the parties will be confirmed in writing between the parties on a case-by-case basis and this Agreement shall be varied to cover such arrangements, including any Branch Data agreed to be shared between the two parties.
- 5. GENERAL OBLIGATIONS RELATING TO DATA SHARING**
- 5.1 The parties will from time to time agree the format, process and mechanism by which any Branch Data shall be shared between the parties. As at the Effective Date, the parties agree that any Branch Data will be:
- 5.1.1 transferred within an MS Excel file using the self-contained encrypted password protection function; and
- 5.1.2 encrypted with a minimum level of encryption of at least Advance Encryption Standard +256.
- 5.2 If at any time during the term of this Agreement POL considers it appropriate to do so (including to comply with Applicable Law) POL may, at its sole discretion, change:
- 5.2.1 the categories or type of Branch Data that is to be shared by POL with NFSP under this Agreement; and/or
- 5.2.2 the format, process or mechanisms set out in this Clause 3 for the sharing by POL of Branch Data with NFSP.
- 5.3 If at any time during the term of this Agreement POL considers it appropriate to do so (including to comply with Applicable Law) POL may, at its sole discretion, cease sharing any Branch Data with NFSP.

6. DATA PROTECTION

- 6.1 To the extent applicable to the sharing and use of Branch Data pursuant to this Agreement, the parties acknowledge and agree that the factual arrangement between them dictates the role of each party in respect of the Data Protection Law. Notwithstanding the foregoing, the parties anticipate that each party shall act as an independent Controller (and do not intend to be joint Controllers) in respect of their respective Processing of any Personal Data (if any) under, or in connection with, this Agreement. Accordingly, the parties agree that the sharing of any Personal Data between them shall be on a Controller to Controller basis. Each party shall comply with its obligations as a Controller under the Data Protection Laws and shall ensure that any Personal Data transferred to the other party has been collected in accordance with the Data Protection Laws. Each disclosing party shall be responsible for:
- 6.1.1 providing the data subjects of such Personal Data with clear and sufficient information, in accordance with Data Protection Laws, of the purposes for which it will Process their Personal Data, the legal basis for such purposes and such other information as is required by Data Protection Law including;
- (a) if Personal Data will be transferred to a third party, that fact and sufficient information about such transfer and the purpose of such transfer to enable the data subject to understand the purpose and risk of such transfer; and
 - (b) (if applicable) if Personal Data will be transferred outside the UK, that fact and sufficient information about such transfer, the purpose of such transfer and the safeguards put in place by the relevant Controller to enable the data subject to understand the purpose and risks of such transfer.
- 6.1.2 dealing with requests from data subjects exercising their rights under Data Protection Law with respect to such Personal Data; and
- 6.1.3 keeping records of the processing of such Personal Data under or in connection with this Agreement (as required by Article 30 of the UK GDPR and equivalent requirements of Data Protection Law).
- 6.2 Each party shall provide such assistance and cooperation as is requested by the other party to enable the other party to comply with their obligations under Data Protection Law and to clarify its responsibilities under those laws, including by making such amendments to the fair processing information referred to in Clause 6.1.1 and the records in Clause 6.1.3 as reasonably requested.
- 6.3 Nothing in this Agreement shall operate to restrict the manner in which a party may use the data it collects independently of this Agreement (even if such data is equivalent to the Branch Data).
- 6.4 Each party shall:
- 6.4.1 process Branch Data in compliance with all Applicable Law, including the Data Protection Laws;
 - 6.4.2 take appropriate technical and organisational measures against the unauthorised or unlawful Processing of Branch Data and against the accidental loss or destruction of, or damage to, Branch Data;
 - 6.4.3 notify the other party promptly of any Personal Data Breach or any unauthorised or unlawful Processing of Branch Data or accidental loss or destruction of, or damage to Branch Data (Security Incident);
 - 6.4.4 provide the other party with all reasonable assistance following a Personal Data Breach or Security Incident including assisting with notifications to affected postmasters and / or regulatory authorities; and
 - 6.4.5 on receipt of a complaint, notice or communication which relates directly or indirectly to the processing of any Branch Data or to either party's compliance with the Data

Protection Law (including a data subject access request) it shall promptly notify the other in writing and shall provide the other with full co-operation, information and assistance in relation to any such complaint, notice, communication or required investigation.

7. AUDIT

7.1 Subject always to compliance with its respective obligations under, and to the extent permitted by, the Data Protection Laws, each party shall provide the other party with all information requested to enable it to verify the other party's (and any sub-processor's) compliance with this Agreement. Without prejudice to the foregoing and always subject to compliance with the Data Protection Laws, each party and/or its external auditors shall be entitled to inspect, test and audit all facilities, premises, equipment, systems, documents and electronic data relating to the Processing of Branch Data in connection with this Agreement throughout the term and until expiry of six (6) years from the expiry or termination of this Agreement and on any such inspection, test or audit shall be entitled to inspect and take copies of any information, data and records in the possession or under the control of the other party relevant to this Agreement in order to ascertain whether or not the party has complied with or is complying with this Agreement.

7.2 Subject always to compliance with its respective obligations under, and to the extent permitted by, the Data Protection Laws, each party shall provide (and shall procure that any sub-processor provides) full cooperation and assistance in relation to each such inspection, test and audit. In the event that one party identifies any non-compliance with this Agreement as a result of an inspection, test or audit, the other party shall:

7.2.1 remedy the non-compliance and shall take such steps as the party reasonably requests for this purpose; and

7.2.2 reimburse the party for the costs and expenses incurred by them in connection with the inspection, test or audit.

8. WARRANTIES

8.1 NFSP warrants and represents that:

8.1.1 it will Process, and will ensure that all personnel who have access to Branch Data Process, the Branch Data in compliance with all Applicable Laws including the Data Protection Laws;

8.1.2 the Processing by POL of the Branch Data provided by NFSP to POL under this Agreement will not infringe the Intellectual Property Rights of any third party;

8.1.3 POL will be lawfully entitled to Process the Branch Data provided by NFSP to POL under this Agreement for the purposes contemplated by this Agreement; and

8.1.4 all Branch Data provided by NFSP to POL is accurate, complete and up-to-date.

8.2 POL warrants and represents that:

8.2.1 It will Process, and will ensure that all personnel who have access to Branch Data Process, the Branch Data in compliance with all Applicable Laws including the Data Protection Laws;

8.2.2 the Processing by NFSP of the Branch Data provided by POL to NFSP under this Agreement will not infringe the Intellectual Property Rights of any third party;

8.2.3 NFSP will be lawfully entitled to Process the Branch Data provided by POL to NFSP under this Agreement for the purposes contemplated by this Agreement; and

8.2.4 all Branch Data provided by POL to NFSP is accurate, complete and up-to-date.

9. LIABILITY

- 9.1 Notwithstanding any other provision of this Agreement, neither party excludes or limits its liability for:
- 9.1.1 death or personal injury caused by its negligence;
 - 9.1.2 fraud or fraudulent misrepresentation; or
 - 9.1.3 any other liability which cannot lawfully be limited or excluded by law.
- 9.2 Subject to Clause 9.1, neither party shall be liable to the other party, whether in contract, tort (including for negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, for any loss (whether direct or indirect) of profits, business, business opportunities, revenue, turnover, reputation or goodwill, anticipated savings or wasted expenditure (including management time), or any loss or liability (whether direct or indirect) under or in relation to any other contract, or for any other indirect or consequential loss of any nature arising under or in connection with this Agreement whether arising in contract, tort (including negligence), restitution, for breach of statutory duty, misrepresentation (whether innocent or negligent), or otherwise.
- 9.3 Subject to Clause 9.1 and Clause 9.2, each party's liability under or in connection with this Agreement, whether in contract, tort (including for negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, is limited to £250,000 in aggregate.
- 9.4 Each party shall fully indemnify, keep indemnified and hold harmless the other party on demand from and against any and all losses, liabilities, costs (including legal costs and VAT), charges, expenses, actions, procedures, claims, fines, penalties, demands and damages (including the amount of damages awarded by a court of competent jurisdiction) arising out of or in connection with a party's (or its sub-processor's) failure to comply with the provisions of this Agreement or Data Protection Law. In relation to a Personal Data Breach or Security Incident, losses recoverable by a party shall include investigative and remediation costs, legal fees and costs, costs of providing notice of the Personal Data Breach or Security Incident, costs and expenses incurred in responding to any regulator, public relations consulting fees and costs, costs to set up a call centre, credit monitoring services expenses and regulatory fines or penalties.

10. TERMINATION

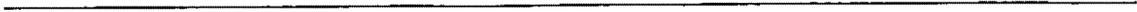
- 10.1 Either party may terminate this Agreement immediately on written notice in the event that the other party:
- 10.1.1 commits any material breach of the provisions of this Agreement and in the case of a breach capable of remedy fails to remedy the same within thirty (30) days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied; or
 - 10.1.2 enters into liquidation whether voluntary or compulsory (other than for the purposes of amalgamation or solvent reconstruction) or makes any composition or arrangement with its creditors or has an administrator or receiver or administrative receiver appointed over the whole or any part of its assets or undertaking.
- 10.2 Termination of this Agreement howsoever caused shall be without prejudice to any rights or liabilities of either party accrued up to the Termination Date. Termination or expiry shall not affect the operation of any Clauses which expressly or by implication are intended to continue to apply after the Termination Date, and such clauses shall continue to apply in full force and effect and the parties agree that the following Clauses shall continue to apply after the Termination Date: Clause 1, 6, 7, 8, 9, this clause 10.2, 11 and 12. Subject as herein provided and to any rights or obligations accrued prior to the Termination Date, neither party shall have any further obligation to the other after the Termination Date.

11. GENERAL

- 11.1 POL and NFSP agree that the provisions of Clause 23 (Confidentiality) and 24 (Freedom of Information) of the Grant Framework Agreement shall apply to this Data Sharing Agreement as if references to "this Agreement" include this Data Sharing Agreement.
- 11.2 Neither party shall transfer, assign, charge, sub-contract or otherwise deal with this Agreement without the prior written consent of the other party.
- 11.3 This Agreement (and, to the extent relevant, the Grant Framework Agreement) constitutes the entire agreement between the parties relating to the subject matter of this Agreement and supersedes all prior or contemporaneous written or oral understandings, agreements or representations relating to the subject matter of this Agreement. Each party acknowledges that in entering into this Agreement it does not rely on, and will have no remedy in respect of, any warranty or understanding, statement, representation or misrepresentation (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement or the Grant Framework Agreement.
- 11.4 Unless otherwise specified in this Agreement, any notice to be given in respect of this Agreement shall be in writing and may be delivered personally by hand or posted by pre-paid Special Delivery post addressed to POL or NFSP as appropriate at:
- 11.4.1 in the case of POL, 100 Wood Street, London, United Kingdom EC2V 7ER;
- 11.4.2 in the case of NFSP, Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, West Sussex, United Kingdom BN43 5AZ,
- or such other address as the relevant party may have notified to the other in writing.
- 11.5 Notices shall be deemed to have been received immediately if delivered personally by hand or at 9am on the second Business Day after posting in accordance with Clause 11.4.
- 11.6 This Agreement shall not be varied or amended otherwise than by an instrument in writing signed on behalf of both parties by their duly authorised representatives.
- 11.7 Neither party shall be liable to the other for any failure to perform or delay in the performance of any of its obligations where such failure or delay is due wholly or partly to causes beyond its reasonable control including (but without limitation) fire, war, act of terrorism, natural disaster or act of God.
- 11.8 The failure of either party to require the performance of any of the terms of this Agreement or the waiver by either party of any default under this Agreement shall not prevent a subsequent enforcement of such term nor be deemed a waiver of any subsequent breach.
- 11.9 If any provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any rule of law or public policy, that provision shall be severed; all other provisions of this Agreement shall remain in full force and effect.
- 11.10 No term of this Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Agreement.
- 11.11 This Agreement may be executed in any number of counterparts, each of which so executed shall be an original, but together shall constitute one and the same instrument.

12. LAW AND JURISDICTION

This Agreement shall in all respects be governed and construed in accordance with English Law and the parties agree to submit to the exclusive jurisdiction of the English courts which will have jurisdiction to hear and decide any suit, action or proceedings and/or to settle any dispute (whether contractual or non-contractual) which may arise out of or in connection with this Agreement.



Schedule 1

NNL Review Panel Terms of Reference

Joint Post Office Limited/National Federation of Subpostmasters

New Network Location Review Panel (Review Panel)

Terms of Reference – December 2021

1. Purpose/role of the Panel

The purpose of the Review Panel is to undertake joint reviews of specific New Network Location (NNL) in order to determine whether the implementation of the NNL benefits the Post Office's strategic objectives without the compromise of the existing branch Network.

2. Membership

The Review Panel will consist of Post Office Senior Managers and the National Federation of Subpostmasters (NFSP) Executives.

2.1 Permanent Members (Members)

- Post Office Head of Retail Operations – Iain Robertson
- Post Office Head of Network Design & Analysis – Ketul Patel
- Post Office Head of Network Provision – Sarah Lambert
- Post Office Secretariat – Jenny Bennett
- NFSP – Chair of the Negotiating and Engagement Team – Tim Boothman
- NFSP – Compliance and Network Support Advisor – Keith Richards
- NFSP – Director of Communications – tbc
- NFSP – Research Officer – Ruth Buckley Salmon

2.2 Additional attendees (as required)

- Post Office Regional Manager Franchise Partnering
- Post Office Mains Development Manager
- Post Office Regional Network Change Manager
- Post Office Area Network Change Manager
- Post Office NDA Managers
- Post Office Strategic Partner representative

**2.3 Chair
Head of Postmaster Engagement**

3. Accountability

3.1 The Members of the Review Panel have a collective responsibility for the operation of the Review Panel. They will participate in discussion, review evidence, and provide objective expert input to the best of their knowledge and ability, and endeavour to reach a collective view.

3.2 Post Office Members will be responsible for the following actions:

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- 3.2.1 the Post Office Network Design Analyst team will be responsible for developing a panel paper (or live iMaps session to show up to the hour information but will include bullets a – e below) to be sent to the Review Panel for discussion at the meeting. The Review Panel will receive the panel paper on the day of the meeting, and not in advance. Post Office will be required to produce a panel paper for each NNL and each panel paper will set out information relevant to the NNL proposal including (without limitation):
- 3.2.2
- (a) geography (e.g. the proposed location of the NNL, distance (both walking and by car) to existing branches, and details of local transport routes);
 - (b) population and demography of both existing branches and the proposed NNL;
 - (c) mails and bill marketplace / competition;
 - (d) details of customer sessions at existing branches / proposed customer sessions at the NNL; and
 - (e) details of Covid-19 retail footfall impacts.
- 3.2.3 following each meeting of the Review Panel, the summarisation of actions and communication of recommendations made at the meeting to review panel members and Director Franchise Partnering
- 3.3 NFSP Members will be responsible for the following actions:
- 3.3.1 prior to the Review Panel meeting, NFSP should gather any information relevant to the review of the NNL; and
- 3.3.2 where deemed appropriate, and subject always to compliance with paragraph 6 (Conflicts of Interest) of these Terms of Reference and the remainder of this paragraph 3.3.2, issue a communication to relevant NFSP members. The parties acknowledge and agree that Post Office will be responsible for any communications in relation to recommendations made by the Review Panel (as per paragraph 3.2.2 (Accountability) above), but NFSP will consider whether to discuss this before/after the decision has been formally communicated with the postmaster(s) affected by the NNL and how they will do this.

4. Scope of decision making and voting

- 4.1 Each Permanent Member of the Review Panel shall have one vote. The Review Panel shall reach decisions by a simple majority of members present. Where there is an equality of votes, the Director Franchise Partnering will have the deciding vote.
- 4.2 Quorum shall be five Permanent Members, provided that at least two Post Office Permanent Members and at least two NFSP Members are present.
- 4.3 If any Permanent Member is disqualified from voting due to a conflict of interest pursuant to paragraph 6 (Conflicts of Interest) of these Terms of Reference, they shall not count towards the quorum.
- 4.4 The Review Panel is responsible for making recommendations only. Following each meeting, the Review Panel will present its recommendations to the Director Franchise Partnering. The Director Franchise Partnering will make the final decision regarding the NNL and any arrangements/support packages put in

place for existing branches as a result of the NNL. In the absence of the Director Franchise Partnering, then the final decision will be with the Network Strategy Director

4.5 **For proposed NNLs**

4.5.1 The Review Panel should make a recommendation (which explains the case and seeks ratification if the Review Panel is in agreement or seeks a review/decision **Director Franchise Partnering** if the Review Panel is in disagreement).

4.5.2 The recommendation could be to stop the proposal (this recommendation must be made before a contract for the NNL has been entered into) or to continue with the opening of the NNL, with occasions when the proposal could continue but with a pause for other activity to take place.

4.6 **For existing branches impacted by NNLs:** the Review Panel will make recommendations regarding the support packages to be put in place for the existing branches, noting that the support package will be available to all branches that are within the defined NNL areas, not just those raised to the Review Panel.

5. **Working methods/ways of working**

5.1 NNL Review panels will be held as and when required.

5.2 In the event of urgent circumstances, the Chair may call a meeting at short notice. When a meeting is called pursuant to this paragraph 5.2, the notice period shall be such as the Chair shall specify.

5.3 Any Member of the Review Panel may participate in its meetings by secure telephone or video conference, provided that all members are able to hear each other such that they can contribute to discussions and decisions.

5.4 Members will receive an agenda of the proposals to be discussed at the meeting at least 10 working days in advance of the meeting.

5.5 Each panel paper referred to in paragraph 3.2.1 (Accountability) will be received by the Review Panel on the day of the meeting. The Review Panel will discuss each panel paper on a strictly confidential basis and Members must not retain copies of the panel paper following the meeting. Both Post Office and the NFSP must ensure that its respective Members comply with the terms of the Data Sharing Agreement entered into by the parties on

5.6 To ensure the Review Panel is focusing on key decisions at each meeting, a set of criteria will be agreed for each NNL proposal. The criteria may include (without limitation) that the NNL:

5.6.1 applicant has yet to reach contract signature;

5.6.2 is proposed in a location closer than the defined distance identified in the Exclusion Zones - dist to branches file; and/or

5.6.3 is the 2nd or 3rd NNL to have a potential impact on an existing branch.

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- 5.7 To ensure the Review Panel is focusing on the key decisions, a set of criteria will be agreed for each existing branch impacted upon by the NNL. The criteria may include (without limitation):
- 5.7.1 the NNL has been established for at least 6 months; and/or
 - 5.7.2 the existing branch has a year on year decline equal to or greater than 10% of Average Weekly Customer Sessions.
 - 5.7.3 there are no immediately obvious local factors that have contributed to the decline in customer sessions. E.g. change to road layout, period of closure or relocation.
- 5.8 Post Office secretariat will take the notes of the review panel.

6. Conflicts of Interest

- 6.1 Members must declare their financial or other interests or assets that could create a conflict of interest in the performance of their duties in respect of the business of this Review Panel. No Member must place themselves in a position where a secondary interest (financial or otherwise) might seek to influence their role on the Review Panel. Where a Member's interest is prejudicial, they must declare the interest and they must not take part in the meeting or the decision in any way. An interest is a "prejudicial interest" if the matter being discussed affects a Member's financial position or that of any person with whom they have a personal interest and/or a situation where a reasonable person who has all the relevant facts would consider that the secondary interest is so significant that it may prejudice the objective judgment of the relevant Member.
- 6.2 Following a declaration of interest where it is not clear whether the declaration is prejudicial, the non-conflicted Members will then consider the nature and extent of the conflict, taking all relevant factors into account, to decide whether the Member in question can be part of the discussions and decision making process. The non-conflicted members must consider whether it is necessary to seek legal advice on whether the conflict is serious and/or how to manage the conflict declared.
- 6.3 For the purposes of these Terms of Reference, a "conflict of interest" is a situation in which a Member's personal or other professional interests or loyalties creates a risk that an individual Member's ability to apply objective judgement or act in their role as a Member is, or could be, impaired or influenced by a secondary interest. Where there is a potential perceived conflict of interest the nature of the conflict should also be declared.

7. Review of these Terms of Reference

- 7.1 These Terms of Reference will apply for from July 2018. The first review shall take place in August 2021 (**First Review**).
- 7.2 After the First Review, these Terms of Reference will be reviewed annually.

SIGNATURE PAGE

SIGNED by

for and on behalf of **Post Office Limited**

(Signature)

.....
(Date)

SIGNED by CALUM BRIAN GREENHOW

for and on behalf of **National Federation of
Subpostmasters**

GRO

(Signature)

02/09/24

(Date)

SIGNATURE PAGE

SIGNED by Rachel Scarrabelotti
for and on behalf of **Post Office Limited**

GRO
(Signature)
20 June 2024
.....
(Date)

SIGNED by
for and on behalf of **National Federation of
Subpostmasters**

.....
(Signature)
.....
(Date)

EXECUTION PAGE

Executed as deed by the affixing of the **COMMON SEAL** of
POST OFFICE LIMITED in the presence of:

.....

a person authorised by Post Office Limited to act for that purpose

.....

Executed as deed by **NATIONAL FEDERATION OF
SUBPOSTMASTERS** acting by **CALUM BRIAN GREENHOW**, a
director, and **JOSEPH DAVID TIMOTHY BOOTHMAN**, a director

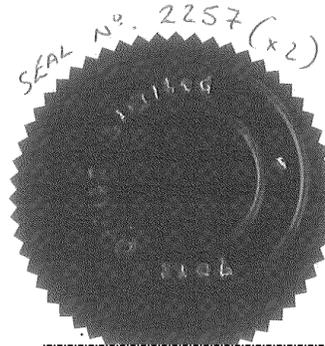
GRO

Director

GRO

Director

EXECUTION PAGE



Executed as deed by the affixing of the **COMMON SEAL** of
POST OFFICE LIMITED in the presence of:

RACHEL SCARRABELOTTI
GROUP COMPANY SECRETARY

a person authorised by Post Office Limited to act for that purpose

Rachel Scarrabelotti

Executed as deed by **NATIONAL FEDERATION OF
SUBPOSTMASTERS** acting by **CALUM BRIAN GREENHOW**, a
director, and **JOSEPH DAVID TIMOTHY BOOTHMAN**, a director

.....

Director

.....

Director