

EXECUTION VERSION

Private and Confidential

Dated 30th September 2025

**(1) BANK OF ENGLAND**

**-and-**

**(2) VERMEG SOLUTIONS SA**

**AGREEMENT**

relating to

Collateral Management System

**Table of Contents**

1. INTERPRETATIONS .....3  
2. TERM OF THE AGREEMENT .....4  
3. PROVISION OF THE SERVICES .....5  
4. PAYMENT .....14  
5. INTELLECTUAL PROPERTY RIGHTS.....18  
6. LIABILITIES .....19  
7. TERMINATION .....25  
8. CONTRACTUAL REASSURANCE .....28  
9. PERSONNEL TRANSFER.....30

**Schedules:**

- 1 – Definitions
- 2 – Statement of Work
- 3 – Charges
- 4 – Acceptance
- 5 – Service Level Agreement
- 6 – Monitoring and Governance
- 7 – Commercial Sensitive Information
- 8 – Change Control
- 9 – Boilerplate Terms
- 10 – Security
- 11 – Business Continuity
- 12 – Development
- 13 – Data Protection Appendices



**THIS AGREEMENT** is made on 2025

**BETWEEN**

- (1) **THE BANK OF ENGLAND**, whose principal place of business is at Threadneedle Street, London, EC2R 8AH (the “**Bank**”); and
- (2) **VERMEG SOLUTIONS SA**, a Société Anonyme, registered with the Registre National des Entreprises under number 0817462R, whose registered office is situated at Lac Neuchatel Les berges du Lac 1053 Tunis, represented by Mousser Jerbi (the “**Contractor**”)

**WHEREAS**

As at the date of this Agreement, the Contractor is providing services to the Bank pursuant to the 2023 Agreement (as defined below). On 30 May 2025, the Parties also entered into an amendment agreement to the 2023 Agreement pursuant to which the Contractor is providing services to support the migration of the System from version 10 to version 12 (the “**Upgrade Amendment**”). On 8 June 2025, the Parties agreed to extend the duration of the 2023 Agreement from 20 December 2025 to 20 December 2027.

Following the expiry of the 2023 Agreement, the Bank wishes to receive and the Contractor agrees to provide the Bank with certain services in accordance with the terms of this Agreement. The Bank and Contractor wish to agree the key terms and conditions of such services well in advance of the expiry of the 2023 Agreement, to provide certainty for continuity of service for the upgraded System. The Bank and Contractor will also continue to work together on a strategic partnership model, to provide better outcomes and better value for both parties. The details of the strategic model are outlined in a partnership paper documented separately to this Agreement. Any chargeable work to be undertaken as part of that strategic partnership will be done so pursuant to the terms of this Agreement in force at the time.

Given the period of time between execution of this Agreement and the Effective Date, the Parties recognise that it is likely to be necessary to enter into an amendment agreement to update the terms of this Agreement prior to the Effective Date.

**NOW THEREFORE**, in consideration of the mutual covenants contained in this Agreement and intending to be legally bound, the parties agree as follows:

1. **INTERPRETATIONS**

1.1 **Definitions and Interpretations**

In this Agreement unless the context otherwise requires, the definitions and interpretations set out in Schedule 1 (Definitions and Interpretations) shall apply.

1.2 **Construction of the Agreement**

- 1.2.1 From the Effective Date, this Agreement, together with the documents referred to in it, constitutes the entire agreement and understanding between the parties in respect of the matters dealt with in it and supersedes, cancels and nullifies any previous agreement between the parties in relation to such matters.

- 1.2.2 Each of the parties acknowledges and agrees that in entering into this Agreement and the documents referred to therein it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in this Agreement. The only remedy available to either party in respect of any such statements, representation, warranty or understanding shall be for breach of contract under the terms of this Agreement.
- 1.2.3 Nothing in this Clause 1.2 or in this Agreement shall operate to exclude any liability for fraud or fraudulent misrepresentation.
- 1.2.4 The Parties entered into an agreement on 21 December 2011 for the provision of certain services ("**2011 Agreement**"). As extended by virtue of the amendment letter dated 16 December 2022, the 2011 Agreement expired on 28 February 2023.
- 1.2.5 The Parties entered into an agreement on 1 March 2023 for the provision of certain services (as amended from time to time, the "**2023 Agreement**" and, together with the 2011 Agreement, the "**Old Agreements**"). As extended by virtue of the amendment letter dated 3 June 2025, the 2023 Agreement expires on 20 December 2027.
- 1.2.6 The parties acknowledge and agree that each of the Old Agreements, including all Services provided under it, terminates on the expiry date of the relevant Old Agreement. Following termination of each Old Agreement, the Bank shall not be liable for any further charges under that Old Agreement, other than any charges which have accrued prior to execution of this Agreement.
- 1.2.7 
- 1.2.8 The terms of this Agreement are based on the terms set out in the 2023 Agreement, including references to Implementation Services which were retained from the 2011 Agreement. All Implementation Services were completed under the 2011 Agreement and therefore references to Implementation Services are not relevant and do not apply for the purposes of this Agreement.

## 2. **TERM OF THE AGREEMENT**

- 2.1 This Agreement shall come into force on 21 December 2027 ("**Effective Date**") and shall remain in full force and effect until 20 December 2032 ("**Initial Term**") until and unless either party exercises its rights to terminate in accordance with Clause 7 (Termination).
- 2.2 At the end of the Initial Term, the Bank may extend the term of this Agreement by a period of three (3) years by giving not less than twelve (12) months written notice to the Contractor prior to the expiry of the Initial Term.

2.3 The Contractor shall commence providing the consultancy services set out in Schedule 2 (SOW) of this Agreement from the Effective Date. The Contractor shall commence providing the Maintenance Services set out in Schedule 2 (SOW) of this Agreement on Effective Date.

2.4 **2027 Amendment Agreement**

2.4.1 The Parties acknowledge and agree that the Agreement may require amendment prior to the Effective Date in order to set out the most up-to-date and accurate description of the Services to be provided from the Effective Date onwards.

2.4.2 At the Bank's request, the Contractor shall therefore use all best endeavours to work with the Bank to agree and execute an amendment agreement prior to the Effective Date (designated the "**2027 Amendment Agreement**") in accordance with the provisions of Schedule 8 (Change Control).

2.4.3 Schedules that may require amendment – to reflect lessons learned during execution of Services under the Upgrade Amendment and any subsequent statements of work under the 2023 Agreement, as well as future changes in law or to Bank policies – include Schedules 2, 3, 4, 5, 6, 8, 10 and 12. Such list of Schedules is indicative, and is neither intended to be exhaustive, nor imply that all listed Schedules will require change.

3. **PROVISION OF THE SERVICES**

3.1 **Implementation Services**

3.1.1 The Contractor shall provide the Implementation Services in accordance with Schedule 2 (SOW). The Contractor shall perform the Implementation Services so as to cause minimal disruption to the business of the Bank.

3.1.2 The Contractor shall be responsible for the overall management of the Implementation Services and shall keep the Implementation Services on schedule in accordance with the Implementation Plan set out in Schedule 2 (SOW). The Contractor will use Commercially Reasonable Efforts to identify and resolve, or assist the Bank in the identification and resolution of, any problems encountered in the timely completion of each task identified in the Implementation Plan, whether the task is the responsibility of the Contractor or the Bank.

3.1.3 The Contractor shall provide the Bank with regular progress reports as described in Schedule 6 (Monitoring & Governance) that describe in reasonable detail the current status of the Implementation Services, indicate the progress of the work being performed, identify any actual or anticipated problems or delays, assess the impact of such problems or delays on the Contractor's provision of the Services and describe all actions being taken or to be taken to remedy such problems or delays.

3.1.4 



### 3.2 The Services

- 3.2.1 The Contractor shall provide the Services during the Term in accordance with the Bank's requirements as set out in Schedule 2 (SOW) and with all applicable terms of this Agreement.
- 3.2.2 The Bank shall have the power to inspect and examine the performance of the Services at the Premises at any reasonable time or at the Contractor's premises upon five (5) Working Days written notice. Such written notice must (save where such notice would be contrary to Law) specify the grounds for invoking the right to inspect and examine the Contractor's performance. The Bank shall use reasonable endeavours to minimise any disruption to the performance of the Services or other business of the Contractor during the conduct of any inspection pursuant to this Clause 3.2.2. Any inspection will be limited to an inspection of the Premises, the Contractor's operations in the performance of its obligations under this Agreement and the records relating to the delivery of the Services but shall exclude information on the Contractor's profitability or margins, other of the Contractor's customers or information which is of a confidential or proprietary nature and relates to the Contractor's business operations.
- 3.2.3 The Contractor undertakes to perform at any time during the Term such New Services as may be agreed in writing by it and the Bank in accordance with Schedule 8 (Change Control) or Schedule 12 (Development). Such New Services shall be performed in accordance with all applicable provisions of this Agreement.
- 3.2.4 In its provision of the Services, unless otherwise agreed with the Bank in advance, the Contractor shall and shall procure that all Personnel shall comply with all Bank policies and procedures, including the Bank's [Supplier Code of Practice](#), as in force from time to time, which in such event will be annexed to this Agreement by way of an addendum thereof. The preceding shall include but not be limited to the Bank's security, IT, HR, diversity, publicity, environmental and health and safety policies and procedures. If the Contractor and/or its Personnel have access to Bank Data and/or Bank Systems, the Contractor shall comply and shall procure that all its Personnel comply, mutatis mutandis, with the Bank's [Our Code](#).

### 3.3 Acceptance

- 3.3.1 The Contractor shall submit any relevant Deliverables and/or the Services for Acceptance in accordance with the timetable set out in Schedule 2 (SOW) and the parties shall follow the acceptance procedures set out in Schedule 4 (Acceptance) in respect of such Deliverables and/or Services.

### 3.4 Review of Performance of Services and Key Personnel

- 3.4.1 The Contractor acknowledges that the Key Personnel are essential to the proper provision of the Services to the Bank.
- 3.4.2 The Bank shall be entitled to:

- 3.4.2.1 review the performance of the Services by the Contractor and the Key Personnel at any time during the Term;
  - 3.4.2.2 reject any of the Key Personnel assigned to perform the Services if in its sole opinion, acting reasonably, such Key Personnel do not meet the standards of professional competence as to be reasonably expected and necessary for the performance of the Services or in the event that the Bank reasonably considers the performance, behaviour or attendance of the Key Personnel is or are unsatisfactory, having first written to the Contractor regarding such performance, behaviour (excluding gross misconduct) or attendance which the Contractor has not remedied within five (5) Working Days of such notification;
  - 3.4.2.3 see curricula vitae of any candidates whom the Contractor proposes to appoint as a member of Key Personnel to perform the Services; and
  - 3.4.2.4 interview such proposed candidate before such candidate commences the Services.
- 3.4.3 In the event that the Bank is not satisfied with any Key Personnel assigned or put forward to perform the Services, the Bank shall advise the Contractor in writing of the exact nature of the problem and the Contractor shall, if requested by the Bank, endeavour to find a suitable replacement. However, if the Bank, acting reasonably (and having first assessed any proposed replacement personnel (including, at the Bank's option, interviewing such personnel) and escalated any concerns in relation to those personnel to the CEO of the Contractor and the Head of Central Banking Operations, Banking Services Division of the Bank) considers that it is not appropriate to find a replacement, then without prejudice to its other rights and remedies, the Bank shall be entitled to terminate this Agreement.
- 3.4.4 In the event that the Bank exercises its rights under Clause 3.4.3, the Contractor shall as soon as reasonably practicable inform the Bank of any impact such changes to the Key Personnel will have on any dates in the Implementation Plan. The parties shall agree any variation to the dates in the Implementation Plan necessitated by the Bank exercising its rights under this Clause 3.4 in accordance with Schedule 8 (Change Control). There shall be no increase in the Charges.
- 3.4.5 Key Personnel shall not be replaced by the Contractor without the agreement of the Bank, except by reason of long-term sickness or disability or incapacity by reason of ill health or accident from performing their duties, maternity leave, paternity leave, termination of employment and other extenuating circumstances.
- 3.4.6 Subject to Clause 3.4.5, any replacements to the Key Personnel shall be subject to the agreement of the Bank (acting reasonably and in consultation with the Contractor). Such replacements shall be of at least equal status or of equivalent experience and skills to the Key Personnel being replaced and be suitable for the responsibilities of that person in relation to the Services.

- 3.4.7 The Bank shall not unreasonably withhold its agreement under Clause 3.4.5 or Clause 3.4.6. Such agreement shall be conditional on appropriate arrangements being made by the Contractor to minimise any adverse impact on this Agreement which could be caused by a change in Key Personnel.

### 3.5 **Standard of Services and Service Levels**

- 3.5.1 The Contractor shall at all times comply with the Quality Standards, and where applicable shall maintain accreditation with the relevant Quality Standards authorisation body. To the extent that the standard of work has not been specified in this Agreement, the Contractor shall use the best applicable techniques and standards and execute this Agreement with all reasonable care, skill and diligence, and in accordance with good industry practice.

- 3.5.2 The Contractor warrants and represents that all Personnel assigned to the performance of the Services shall possess and exercise such qualifications, skill and experience as are necessary for the proper performance of the Services. Subject to Clause 3.4.3, the Bank will have the right to direct the Contractor to remove from the provision of the Services any Personnel whom the Bank believes do not fulfil such criteria or with whom the Bank is otherwise dissatisfied.

- 3.5.3 The Bank may to the extent reasonably necessary to preserve its own standards and reputation instruct the Contractor to ensure that particular members of the Personnel do not enter the Premises and the Contractor shall comply promptly with such instruction.

- 3.5.4 The introduction of new methods or systems which have a detrimental impact on the provision of the Services shall be subject to prior Approval. The Bank's decision on whether or not to grant Approval will be made in a timely manner.

- 3.5.5



- 3.5.6



### 3.6 **Step-In Rights**

- 3.6.1 If any Force Majeure Event or any breach of this Agreement by the Contractor or its Personnel causes a material failure or material delay to the performance of the Services or any part of them for a period of time in excess of thirty (30) consecutive calendar days (or such other period agreed in writing by the parties), then the Bank, at its option, may take control of the affected part of the Services (**'Step-in'** or **'Stepped-in'** (as

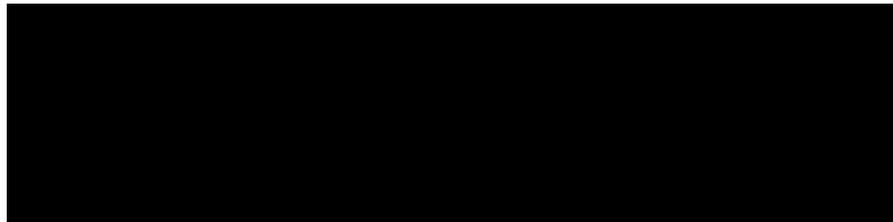
appropriate)) and, in doing so, may take such other action as is reasonably necessary to restore the Bank function and/or element of the Services (including engaging a third party service provider to undertake the affected Bank function and/or element of the Services) or may direct the Contractor to procure those services from a third party service provider.



3.6.2 Subject to Clause 3.6.3, in the event of the Bank exercising its Step-in right, the Contractor will co-operate with the Bank (and its agents or representatives, including any engaged third party service provider) and provide reasonable assistance at no charge to the Bank to restore such Bank function or the Services or any part of them as soon as reasonably possible, including giving the Bank (and its agents or representatives, including any engaged third party services provider) reasonable access to the Contractor's premises, equipment, material and software, to the extent reasonably necessary for the purpose of restoring such Bank function or the Services or any part of them to the level required under this Agreement.

3.6.3 The Contractor shall perform its obligations set out in Clause 3.6.2 provided (i) this shall not require the Contractor to give the Bank (and its agents or representatives, including any engaged third party service provider) a licence or any other right (beyond any rights granted to the Bank elsewhere in this Agreement) which could detrimentally impact the Contractor's property and/or Intellectual Property Rights, and (ii) the Bank shall use its reasonable endeavours to procure, at the Contractor's request, the execution between the Contractor and each of the Bank's agents, representatives, subcontractor and/or third party service provider, of a confidentiality agreement providing customary protection for the Contractor's confidential information.

3.6.4





- 3.6.5 Nothing in this Agreement shall require the Contractor to be responsible for the acts or omissions of any third party service provider which the Bank engages to perform services upon the exercise of its Step-in rights and the Contractor excludes all liability in respect of loss or damage caused by such third party service provider.
- 3.6.6 Immediately upon the restoration of the affected Bank function or the affected part of the Services (meaning that its performance is no longer substantially prevented, hindered, degraded or delayed) to the Bank's reasonable satisfaction, the Contractor will resume the performance of the relevant Services.
- 3.6.7 Except for the occurrence of a Force Majeure Event where neither party shall be liable to the other unless otherwise agreed between the parties in this Clause 3.6, nothing in this Clause 3.6 limits the Contractor's liability to the Bank with respect to any default or non-performance by the Contractor under this Agreement, provided that the Contractor shall not be responsible and/or liable in any event for the Services while they are being carried out by the Bank and/or a third party.

### 3.7 Remedies for Non-Conforming Services

- 3.7.1 In the event that the Contractor and/or the Personnel fail to perform the Services, or any of them, in accordance with this Agreement, and such failure is not caused by the Bank or a Force Majeure Event, then the Bank may, in addition to any other remedies that may be available to it under this Agreement, require the Contractor, at the Contractor's own expense, promptly to remedy any default or re-perform any non-conforming Services in accordance with the provisions of paragraph 3 of Schedule 5 (Service Levels, Support & Maintenance).
- 3.7.2 In the event that the Contractor is in material breach of this Agreement and/or the Personnel materially, repeatedly or wilfully fails to perform the Services or any of them in accordance with this Agreement, and such failure is not remediable or, if remediable, is not remedied within twenty (20) days after written notice thereof is given to the Contractor, then the Bank may, in addition to any other remedies that may be available to it under this Agreement, terminate this Agreement in accordance with Clause 7.2 (Termination on Default).

### 3.8 Manner of providing the Services

#### ***Contractor Equipment***

- 3.8.1 The Contractor shall provide all the Contractor Equipment necessary for the provision of the Services.
- 3.8.2 The Contractor shall make no delivery of the Contractor Equipment nor commence any work on the Premises without obtaining the Bank's prior Approval.

- 3.8.3 All Contractor Equipment brought onto the Premises shall be at the Contractor's own risk and the Bank shall have no liability for any loss of or damage to any Contractor Equipment unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the negligence or default of the Bank. The Contractor shall provide for the haulage or carriage thereof to the Premises and the removal of Contractor Equipment when no longer required at its sole cost. The Contractor shall ensure that the Premises are appropriate to contain and operate the Contractor Equipment.
- 3.8.4 The Contractor shall maintain all items of the Contractor Equipment within the Premises in a safe, serviceable and clean condition.
- 3.8.5 The Bank may, with the written agreement of the Contractor, purchase any item of Contractor Equipment exclusively used to provide the Services from the Contractor at any time during this Agreement, if the Bank considers that the item is likely to be required in the provision of the Services following the expiry or termination of this Agreement. The purchase price to be paid by the Bank shall be the fair market value or as otherwise agreed between the parties. For the avoidance of doubt this Clause is not intended to encompass intellectual property rights, which are addressed in Clause 5 (Intellectual Property Rights) below.
- 3.8.6 The Bank shall have the power at any time during the Term to order in writing that the Contractor:
- 3.8.6.1 remove from the Premises any Contractor Equipment which in the opinion of the Bank is either hazardous, noxious or not in accordance with this Agreement; and/or
  - 3.8.6.2 substitute Contractor Equipment which the Bank demonstrates is either hazardous, noxious or not in accordance with this Agreement, with proper and suitable materials, plant and equipment.
- 3.8.7 Any land or Premises made available from time to time to the Contractor by the Bank in connection with this Agreement shall be made available to the Contractor on a non-exclusive licence basis free of charge and shall be used by the Contractor solely for the purpose of performing its obligations under this Agreement. The Contractor shall have the use of such land or Premises as licensee and shall vacate the same on completion, termination or abandonment of this Agreement.
- 3.8.8 Should the Contractor require modifications to the Premises, such modifications shall be subject to prior Approval and shall be carried out by the Bank at the Contractor's expense. The Bank shall undertake approved modification work without undue delay. Ownership of such modifications shall rest with the Bank.
- 3.8.9 The parties agree that there is no intention on the part of the Bank to create a tenancy of any nature whatsoever in favour of the Contractor or its Personnel and that no such tenancy has or shall come into being and, notwithstanding any rights granted pursuant to this Agreement, the Bank retains the right at any time to use any premises owned or occupied by it in any manner it sees fit.

- 3.8.10 On completion of the Services, the Contractor shall remove the Contractor Equipment and unused materials and shall clear away from the Premises all rubbish arising out of the Services, make good any damage caused to the Premises by the removal of the Contractor Equipment and leave the Premises in a neat and tidy condition.
- 3.8.11 Access to the Premises shall not be exclusive to the Contractor but shall be limited to such Personnel as are necessary to the performance of the Services concurrently with the execution of work by others. The Contractor shall co-operate free of charge with such others as the Bank may reasonably require provided such cooperation will not cause the Contractor to incur additional cost or expense.

### 3.9 **Mistakes in Information**

The Contractor shall be responsible for the accuracy of all drawings, documentation and information supplied to the Bank by the Contractor in connection with the provision of the Services and, subject to Clause 6 (Liabilities), shall pay the Bank any extra costs occasioned by any discrepancies, errors or omissions therein unless such discrepancies, errors or omissions are solely or predominantly attributable to the Bank.

### 3.10 **Inspection of Premises**

- 3.10.1 Save as the Bank may otherwise direct, the Contractor is deemed to have inspected the Premises before tendering so as to have understood the nature and extent of this Agreement to be carried out and be satisfied in relation to all matters connected with the performance of this Agreement (to the extent ascertainable).
- 3.10.2 The Bank shall, at the request of the Contractor, grant such access as may be reasonable for the purpose referred to in Clause 3.11.1 (Monitoring of Services).

### 3.11 **Monitoring of Services**

- 3.11.1 The Contractor shall comply with the monitoring and governance arrangements set out in Schedule 6 (Monitoring and Governance) including, but not limited to, providing such data and information as the Contractor may be required to produce under this Agreement.

### 3.12 **Work Permits**

- 3.12.1 The Contractor shall be responsible for checking that its Personnel are legally entitled to work in the United Kingdom and where appropriate have the required visa work permit or permission issued by the appropriate UK authority to undertake work of the nature for which the Contractor is supplying them to the Bank. The Contractor further agrees to indemnify the Bank against all claims, costs and damages howsoever arising from any breach of this Clause 3.12. [REDACTED]

**3.13 Escrow**

3.13.1



3.13.2 The Contractor warrants that during the term of this Agreement it shall:

3.13.2.1 ensure that the Source Code Materials delivered to the Escrow Agent are updated promptly following material developments of the Software;

3.13.2.2 deliver a replacement copy of the Source Code Materials to the Escrow Agent within twelve (12) months of the last delivery, or within 6 weeks of any upgrade or new version release to ensure the integrity of the Source Code Materials;

3.13.3 The Bank shall be entitled to require the Escrow Agent to release the Source Code Materials to it if one of the following events arise:

3.13.3.1



3.13.3.2



3.13.3.3



(each a “**Release Event**”).

3.13.4 The Contractor hereby grants to the Bank a perpetual, non-terminable, non-transferable and non-exclusive licence to use, reproduce, modify, adapt and enhance (and to authorise a third party to use, reproduce, modify, adapt and enhance on the Bank’s behalf subject to customary obligations of confidentiality) the Source Code Materials solely for the Bank’s internal purposes. However, the foregoing licence shall only become effective if the Source Code Materials are released to the Bank following a Release Event.

**3.14 London Living Wage**

3.14.1 The Contractor shall ensure that its direct UK personnel, with the exception of any interns, working two (2) or more hours a day for eight (8) or more consecutive weeks at premises owned or occupied by the Contractor:

3.14.2 in London (for the purposes of this clause 3.14.1 being Greater London which as at the date of this Agreement includes the 32 London boroughs and the City of London) shall be paid the London Living Wage on a continuing basis; and

3.14.3 outside London but in the United Kingdom shall be paid the Living Wage on a continuing basis,

in either case by no later than the Effective Date in accordance with the per hour rate calculated annually by the Resolution Foundation and overseen by the Living Wage Commission, based on the best available evidence about living standards in London and the UK (as published on [www.livingwage.org.uk](http://www.livingwage.org.uk)), or as otherwise notified by the Bank to the Contractor from time to time). A breach of this Clause 3.14 will be considered a Default under 7.2.1 which will not be capable of remedy.

The Contractor also undertakes not to use any subcontractors who do not meet these requirements.

#### 4. PAYMENT

##### 4.1 Charges

4.1.1 In consideration of the performance of the Contractor's obligations under this Agreement by the Contractor, the Bank shall pay the Charges in accordance with the payment terms specified in this Clause 4 and Schedule 3 (Charges).

4.1.2 The Charges are exclusive of value added tax. The Bank shall pay the value added tax on the Charges at the rate and in the manner prescribed by law, from time to time.

4.1.3 The Bank shall bear the cost of any value added taxes and / or withholding taxes levied or introduced under UK legislation on or after the signing of this Agreement in relation to the amounts payable by the Bank to the Contractor.

4.1.4



##### 4.2 Payment and Tax

4.2.1 The Bank shall pay the undisputed sums due to the Contractor in cleared funds within thirty (30) days of receipt and agreement of invoices for work completed in accordance with Schedule 3 (Charges). Interest shall be payable on any undisputed late payment under this Agreement at the rate of [REDACTED] the Bank of England base rate from time to time in force from the date on which such amount fell due until payment, whether before or after judgment.

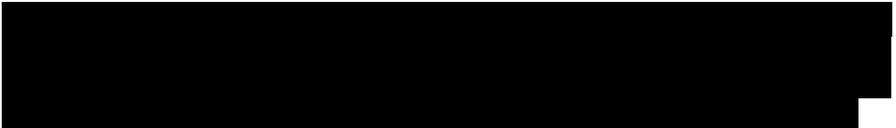
4.2.2 Each invoice shall contain all the information requested in paragraph 4 of Schedule 3 (Charges).

4.2.3 Where the Contractor enters into a sub-contract with a supplier or contractor for the purpose of performing this Agreement, it shall cause a term to be included in such a sub-contract which requires payment to be made of undisputed sums by the Contractor to the sub-contractor within a specified period not exceeding thirty (30) days from the receipt of a valid invoice, as defined by the sub-contract requirements.

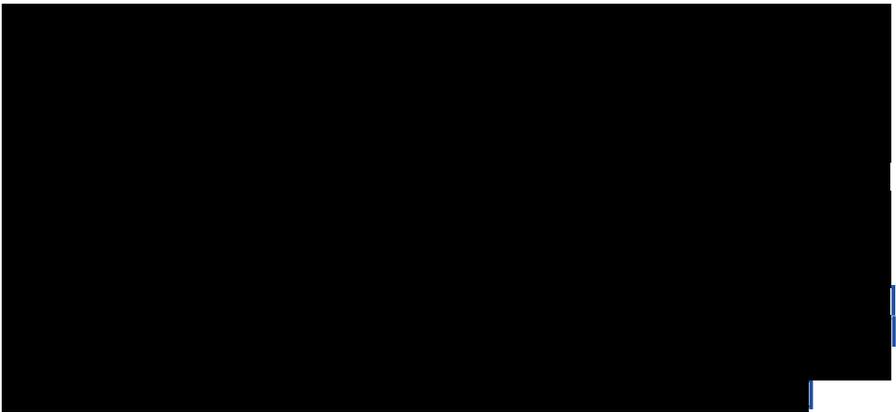
4.2.4 The Contractor shall not suspend the supply of the Services save in the case of failure by the Bank to pay charges in accordance with the payment terms specified in this Clause 4.2 and Schedule 2 (SOW). If the Bank fails to pay any undisputed sums within thirty (30) days of the date of written notice (such notice not to be issued before the end of the 30 day payment period set out in Clause 4.2.1 above) requiring an overdue sum to be paid, the Contractor may, upon prior written notification, suspend performance of its obligations under this Agreement until such time as the overdue amount is paid.

**4.3 Recovery of Sums Due**

4.3.1 

4.3.2 

**4.4 Payment and Invoice Disputes**

4.4.1 

**4.5 IR35 and Off Payroll Working**

4.5.1 The Contractor undertakes that, except with the express prior written consent of the Bank, it shall not (and shall procure that any Contractor Personnel, sub-contractors or third party suppliers shall not) engage, whether directly or indirectly, any Contractor Personnel to perform personally or be under an obligation to perform personally any Services for the Bank in connection with this Agreement under arrangements involving a person or entity falling within section 61N, subsections (9),

(10) or (11) of the Income Tax (Earnings and Pensions) Act 2003 (“**ITEPA**”) (such person or entity being an “**Intermediary**” and such member of Contractor Personnel being an “**Intermediary Worker**”).

- 4.5.2 If, pursuant to Clause 4.5.1 above, the Bank provides consent to the engagement of an Intermediary Worker in the provision of the Services, Clauses 4.5.3 to 4.5.7 below shall apply.
- 4.5.3 The Bank will at the commencement of the Services by the Intermediary Worker provide the Contractor and the Intermediary Worker with a statement which confirms whether the Bank has concluded that the condition in section 61M(1)(d) of ITEPA is met or not met in respect of such Intermediary Worker and explains the reasons for that conclusion (such statement, an “**IR35 Status Decision**”).
- 4.5.4 The Contractor shall (and shall procure that any Contractor Personnel, sub-contractors, third party suppliers and Intermediary Workers shall) promptly give to the Bank all such information and documentation as it may reasonably require from time to time in order for the Bank to make an IR35 Status Decision in respect of an Intermediary Worker. The Contractor shall (and shall procure that any Contractor Personnel, sub-contractor, third party supplier or Intermediary Worker shall either directly or indirectly via the Contractor) promptly inform the Bank of any material change to any information or documentation previously provided in compliance with this Clause 4.5.4 and shall also promptly provide any other information or documentation that it considers (or ought reasonably consider) to be materially relevant to the IR35 Status Decision.
- 4.5.5 If the Bank provides an IR35 Status Decision confirming that the condition set out at section 61M(1)(d) of ITEPA is met in respect of an Intermediary Worker:
- 4.5.5.1 where the Contractor is the fee-payer (as such term is defined in section 61N(2) of ITEPA), the Contractor undertakes that it will pay all deductions required by law including without limitation Income tax and National Insurance contributions under the UK Pay As You Earn system and the UK Apprenticeship levy, where applicable; and
- 4.5.5.2 where any Contractor Personnel, sub-contractor or third party supplier of the Contractor is the fee-payer (as such term is defined in section 61N(2) of ITEPA), the Contractor undertakes that it will procure the payment of all deductions required by law including without limitation Income tax and National Insurance contributions under the UK Pay As You Earn system and the UK Apprenticeship levy, where applicable, by such member of Contractor Personnel, sub-contractor or third party supplier,
- in each case from the fees paid to the Intermediary in respect of the services provided by such Intermediary Worker, in accordance with section 61R of ITEPA.
- 4.5.6 The Contractor or (if the Contractor is not the “fee-payer” as such term is defined in section 61N(2) of ITEPA) the relevant fee payer and/or the affected Intermediary Worker may make representations against any IR35

Status Decision issued by the Bank which concludes that the condition in section 61M(1)(d) of ITEPA is met. The Contractor will (and will procure that any Contractor Personnel, sub-contractor, third party supplier and Intermediary Worker will) provide sufficient information and explanations with any representations made and will promptly respond to any questions asked by the Bank to enable it to respond within the period required by ITEPA.

4.5.7 The Contractor shall ensure that all entities in the supply chain (including any Intermediary) for the purposes of this Agreement that perform any of the Services in the United Kingdom which makes the entity subject to United Kingdom tax and social security legislation are appropriately registered with the United Kingdom tax authorities. At the Effective Date of this Agreement, the parties acknowledge that only the Contractor's affiliates Vermeg Systems Ltd and Vermeg Management LTD perform such of the Services in the United Kingdom and are appropriately registered. The Contractor shall, when reasonably requested by the Bank, provide evidence of this. If the Bank reasonably believes that any other entity in the supply chain is either not resident in or does not have a place of business in the United Kingdom for the purposes of tax and social security legislation but that it is lawfully required to be, the Bank shall be entitled to withhold from any monies due to the Contractor an amount equal to the tax and social security contributions that the Bank considers it may be required to withhold pursuant to applicable tax and social security legislation in respect of any payments made to or for the benefit of the Intermediary by any person in respect of the provision of services by the Intermediary Worker.

4.5.8 The Contractor represents and warrants that it is not an Intermediary as at the date of this Agreement and undertakes not to become an Intermediary during the term of the Agreement.

4.5.9 [REDACTED]

4.5.9.1 [REDACTED]

4.5.9.2 [REDACTED]

[REDACTED]

4.5.10 The Contractor undertakes that it shall not (and shall procure that any sub-contractor or third party supplier shall not) provide to the Bank, whether directly or indirectly, any Contractor Personnel that are employed or engaged by a Prohibited Umbrella Company. For the purposes of this

Clause 4.5.10, a “**Prohibited Umbrella Company**” means any entity that:

- 4.5.10.1 employs or engages the Contractor Personnel on behalf of any third party, where such third party will provide the services of such Contractor Personnel to its clients and the entity itself is not responsible for providing any work to such Contractor Personnel; and
- 4.5.10.2 is not accredited by the Freelancer and Contractor Services Association.

5. **INTELLECTUAL PROPERTY RIGHTS**

5.1 All existing Intellectual Property Rights in any specifications, instructions, plans, data, drawings, databases, patents, patterns, models, designs or other material belonging to the Contractor or the Bank prior to the date of this Agreement shall remain the property of the Contractor or the Bank accordingly (“**Background IPR**”). The owner of such Background IPR grants to the Contractor or Bank (as appropriate) a non-exclusive, non-transferable licence to use any Background IPR, and only to the extent necessary, for the provision of the Services.

5.2 

5.3 

5.4 The Contractor warrants and represents to the Bank that it has the power, authority and right to provide the Services to the Bank without infringing or violating the rights (including Intellectual Property Rights) of any third party.

5.5 The Bank warrants and represents to the Contractor that it has, its licensors have, the power, authority and right to provide all the aforementioned specifications,

instructions, plans, data, drawings, databases, patents, patterns, models, designs or other material furnished to or made available to the Contractor by the Bank (the “**Bank Materials**”), without infringing or violating the rights (including Intellectual Property Rights) of any third party. The Bank shall indemnify and keep indemnified the Contractor against any and all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Contractor may suffer or which may be made against the Contractor alleging that the use of the Bank Materials provided by the Bank under this Agreement infringes the Intellectual Property Rights of a third party. Such indemnity will include all losses, costs and expenses incurred by the Contractor as a consequence of such actions, suits or claims, demands, losses, charges, damages, costs and expenses and liabilities.

- 5.6 Failure by the Bank (or its employees, subcontractor, agents) to comply with this Clause 5 shall constitute a Default entitling the Contractor to terminate in accordance with Clause 7.2.
- 5.7 Should the Bank wish to have any of the Deliverables hosted or used by a third party (excluding clients of the Bank regarding only the use of the Deliverables), it will first request written permission from the Contractor; such permission not to be unreasonably withheld or delayed. For the avoidance of doubt, the Contractor may at its option (acting reasonably) refuse such permission if said third party refuses to sign a confidentiality agreement with the Contractor, or as the case may be, refuses to sign any other document entitling that third party to use the Deliverables without violating the Contractor’s Intellectual Property Rights.

## 6. **LIABILITIES**

### 6.1 **Warranties and Representations**

6.1.1 Each of the parties warrants and represents that:

- 6.1.1.1 it has the full capacity and authority and all necessary consents (including, but not limited to, where its procedures so require, the consent of its parent company) to enter into and perform this Agreement and that this Agreement is executed by a duly authorised representative of that party;
- 6.1.1.2 it shall discharge its obligations hereunder with all due skill, care and diligence including but not limited to good industry practice and (without limiting the generality of this Clause) in accordance with its own established internal procedures;
- 6.1.1.3 all its obligations pursuant to this Agreement shall be performed and rendered by appropriately experienced, qualified and trained Personnel (for the purpose of this Clause 6.1.1.3 the term “Personnel” shall apply mutatis mutandis to the Bank) with all due skill, care and diligence;
- 6.1.1.4 in the 3 (three) years prior to the date of the Agreement:
- (a) it has conducted all financial accounting and reporting activities in compliance in all material respects with the

generally accepted accounting principles that apply to it in any country where it files accounts; and

- (b) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established;

6.1.2 The Contractor warrants and represents that:

6.1.2.1 

6.1.2.2 the Services shall be performed in compliance with all applicable Laws;

6.1.2.3 in the 3 (three) years prior to the date of this Agreement it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or its position as an ongoing business concern or its ability to observe or perform its obligations under this Agreement;

6.1.2.4 it has read and understood the Bank’s Security Requirements and any related documentation provided by the Bank as set out in Schedule 10 “Environments and Data Security Requirements” (including, without limitation, any implementation guidance describing how the Contractor shall implement the Bank’s Security Requirements in practice);

6.1.2.5 at or before the Effective Date, it has completed and/or attested to any security related questionnaire or control set (howsoever named) provide by the Bank, if any:

- (a) with due skill, care and diligence including but not limited to Good Industry Practice; and
- (b) in accordance with any instructions provided by the Bank;

6.1.2.6 its response to any such questionnaire was true, accurate, complete and not misleading in taking into account the requirements Security Requirements and any related documentation described in Clause 6.1.2.4 above; and

6.1.2.7 upon reasonable request by the Bank no more than once a year, it shall as soon as reasonable, update, restate and/or further develop its responses to any such questionnaire or control set or complete any additional questionnaire or control set supplied by the Bank in order for the Bank to verify compliance by the Contractor with the Security Requirements.

**6.2 Limitation of Liability**

6.2.1 Neither the Contractor nor the Bank excludes or limits liability to the other for death or personal injury caused by its negligence for any breach of any

obligations implied by Section 2 of the Supply of Goods and Services Act 1982.

6.2.2 Nothing in this Agreement shall limit the liability of the Contractor in respect of the indemnities in Clauses 3.12 (Work Permits), 4.5 (IR35 and Off Payroll Working) and 6.3.1 (Indemnities – IPR).

6.2.3 Subject always to Clauses 6.2.1, 6.2.2, 6.2.6 and 6.2.7, the Contractor’s total aggregate liability in the event that the Contractor shall be liable to the Bank in contract, in tort (including negligence), under statute or otherwise) shall be limited as follows:

6.2.3.1 [Redacted]

6.2.3.2 [Redacted]

6.2.3.4 [Redacted]

(a) [Redacted]

(b) [Redacted]

6.2.4 Subject always to Clauses 6.2.1 and 6.2.7, the Bank’s total aggregate liability, in addition to its obligation to pay the Charges as they fall due for payment:

6.2.4.1 [Redacted]

6.2.4.2 [Redacted]

6.2.4.3 

6.2.5 

6.2.6 

6.2.7 Subject always to Clause 6.2.1, in no event shall the Contractor or the Bank be liable to the other whether in contract, in tort (including negligence), under statute or otherwise for any:

6.2.7.1 loss of profits;

6.2.7.2 loss of business;

6.2.7.3 loss of revenue;

6.2.7.4 loss of goodwill;

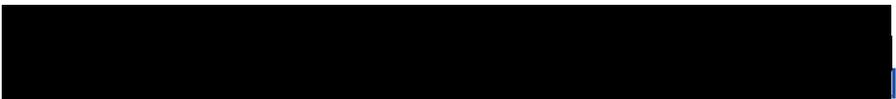
6.2.7.5 loss of anticipated savings; and/or

6.2.7.6 indirect or consequential loss or damage of whatever nature including (without limit) any loss of a type described in Clauses 6.2.7.1 to 6.2.7.5 above which could be regarded as indirect or consequential.

6.2.8 Subject always to Clause 6.2.1, both the Contractor and the Bank shall be liable for the acts of their respective employees and/or sub-contractors for which, if such acts were of the Contractor or the Bank respectively, such party would be liable to the other under this Agreement.

6.2.9 Neither party shall be entitled to recover (by way of indemnity or otherwise) more than once in respect of the same event or loss or damage suffered by them under this Agreement.

**6.3 Indemnities**

6.3.1 

- [REDACTED]
- 6.3.2 [REDACTED]
  - 6.3.2.1 [REDACTED]
  - 6.3.2.2 [REDACTED]
  - 6.3.2.3 [REDACTED]
  - 6.3.2.4 [REDACTED]
- 6.3.3 [REDACTED]
- 6.3.4 [REDACTED]
- 6.3.5 [REDACTED]
  - 6.3.5.1 [REDACTED]
  - 6.3.5.2 [REDACTED]
- 6.3.6 [REDACTED]
  - 6.3.6.1 [REDACTED]

- 6.3.6.2 [Redacted]
- 6.3.6.3 [Redacted]
- 6.3.6.4 [Redacted]
- 6.3.6.5 [Redacted]
- 6.3.7 [Redacted]
- 6.3.7.1 [Redacted]
- 6.3.7.2 [Redacted]
- 6.3.7.3 [Redacted]
- 6.3.7.4 [Redacted]
- 6.3.8 [Redacted]
- 6.3.9 [Redacted]

**6.4 Professional Indemnity Insurance**

The Contractor shall effect and maintain appropriate professional indemnity insurance cover and shall ensure that all agents, professional consultants and sub-contractors involved in the provision of the Services hold and maintain appropriate cover. Such insurance to be held by the Contractor or by any agent, sub-contractor or professional consultant involved in the provision of Services shall have a limit of indemnity of [Redacted]. Such insurance shall be maintained for a

minimum of six (6) years following the expiration or earlier termination of this Agreement.

7. **TERMINATION**

7.1 **Termination on Change of Control and Insolvency**

7.1.1 The Bank may terminate this Agreement by notice in writing with immediate effect where:

7.1.1.1 

7.1.1.2 a shareholders' meeting is convened for the purposes of considering a resolution that the company be wound up or a resolution for its winding up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or

7.1.1.3 an application is made for, or any meeting of its directors or members resolves to make, an application for an administration order in relation to it or any party gives or files notice of intention to appoint an administrator of it or such an administrator is appointed; or

7.1.1.4 a petition is presented for its winding up (which is not dismissed within fourteen (14) days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or

7.1.1.5 an administrative receiver, receiver, or similar officer is appointed over the whole or any part of its business and assets or possession is taken of any of its property under the terms of a fixed or floating charge; or

7.1.1.6 the Contractor is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or

7.1.1.7 a proposal is made for a voluntary arrangement within Part 1 of the Insolvency Act 1986 or of any other composition scheme or arrangement for the benefit of the creditors; or

7.1.1.8 any similar event occurs under the law of any other jurisdiction.

7.1.2 

**7.2 Termination on Default**

7.2.1 The Bank may terminate this Agreement, or terminate the provision of any part of this Agreement by written notice to the Contractor with immediate effect if the Contractor commits a Default and:

7.2.1.1 the Contractor has not remedied the Default within thirty (30) days, or such longer period as may be specified by the Bank, after issue of a written notice specifying the Default and requesting it to be remedied; or

7.2.1.2 the Default is not capable of remedy.

7.2.2 If the Bank fails to pay the Contractor any undisputed sums of money when due, the Contractor shall notify the Bank in writing of such failure to pay. If the Bank fails to pay such undisputed sums within thirty (30) days of the date of such written notice, the Contractor may terminate this Agreement in writing with immediate effect.

**7.3 Voluntary termination by the Bank**

7.3.1 [Redacted]

7.3.2 [Redacted]

7.3.2.1 [Redacted]

7.3.2.2 [Redacted]

7.3.3 [Redacted]

7.3.3.1 [Redacted]

7.4 [Redacted]

7.4.1 [Redacted]

[REDACTED]

7.4.2 [REDACTED]

## 7.5 Consequences of Termination

- 7.5.1 The provisions of Clauses 5.1-5.3, 6.2, 7 and Clauses A1.1, A1.2, A1.4, A1.6, A1.8.1, A2.3, A2.13, A2.14, A2.15, A2.16, A2.17, A2.18.1, A2.19, A2.20 and A2.21 of the Boilerplate Terms shall survive the termination or expiry of this Agreement.
- 7.5.2 Termination or expiry of the Agreement shall be without prejudice to any rights and remedies of the Contractor and the Bank accrued before such termination or expiration and nothing in the Agreement shall prejudice the right of either party to recover any amount outstanding at such termination or expiry.
- 7.5.3 Subject to Clause 7.5.1 and Clause 7.6, upon termination of this Agreement for whatever reason and under whatever Clause, the Contractor shall be discharged from any further liability to perform the Services under this Agreement.

## 7.6 Termination Assistance

- 7.6.1 In the event that this Agreement is terminated or expires, each party shall return to the other party all property belonging to the other party then in its possession or in possession or under the control of any permitted sub-contractors (including all Confidential Information, Background IPR and personal data).
- 7.6.2 After termination or expiry of this Agreement howsoever caused, the Contractor shall continue to co-operate with the Bank to such reasonable extent as may be necessary to clarify or explain any reports or recommendations made by the Contractor. Where the Contractor reasonably considers that such co-operation would require a substantial commitment from the Contractor, it will be entitled to charge the Bank at the Contractor's then current daily rates provided that the Contractor notifies the Bank prior to the commencement of such co-operation that such services will be chargeable.
- 7.6.3 The Bank shall provide the Contractor with six (6) Month's notice in advance of its intention to terminate this Agreement. The Contractor will then develop a plan for termination (the "**Exit Plan**") and submit the same for Approval by the Bank. The level of detail of the Exit Plan shall be reasonable but in any event sufficient to provide the procedures and responsibilities for an orderly transition of the Services. For the avoidance of doubt, the effort necessary to develop and implement the Exit Plan and the effort necessary to create the required tools for any data migration

under the Exit Plan will be chargeable and will be handled according to the provisions of Schedule 8 (Change Control) and Schedule 3 (Charges).

- 7.6.4 The Contractor will:
- 7.6.4.1 provide information and assistance reasonably necessary to conduct the termination in accordance with the Exit Plan as efficiently and effectively as possible; and
  - 7.6.4.2 jointly review and verify the Exit Plan with the Bank in such a way as to provide the Bank with a high level of confidence that the process and procedures required by the Exit Plan can be put into effect at the commencement of the Termination Assistance Period. Areas of the Exit Plan which are identified as failing or requiring improvement will be identified and the steps necessary to remedy such failures or improve such areas clearly stated.
- 7.6.5 During the Termination Assistance Period, the Contractor will assist the Bank in transporting, loading and running the Bank Data and any other Bank Materials.
- 7.6.6 The Contractor and the Bank will each comply with their respective obligations to return Software, data and other material belonging to the other pursuant to the terms of this Agreement.
- 7.6.7 Subject to the provisions of paragraph A1.1 of the Boilerplate Terms the Contractor will provide for the transfer of knowledge reasonably required for the provision of the Services, which may, as appropriate include information, records and documents. To facilitate the transfer of knowledge from the Contractor to the Bank, the Contractor shall explain the relevant procedures and operations to the Bank's employees. The knowledge transfer shall not cover the design of the System or the Software, the Source Code Materials, or any of the Contractor's Confidential Information.
- 7.6.8 The information to be provided by the Contractor to the Bank pursuant to Clause 7.6.7 above shall include:
- 7.6.8.1 information regarding work in progress and associated unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period. This information will be updated by the parties at the end of the Termination Assistance Period; and
  - 7.6.8.2 details of security processes and tools that will be available to the Bank.

## 8. **CONTRACTUAL REASSURANCE**

- 8.1 Without prejudice to any other rights or remedies of the Bank, if at any time after the date of this Agreement:

- 8.1.1 there is a public investigation by a judicial or regulatory body with competent jurisdiction into actual or alleged improper financial accounting or reporting, suspected fraud or any other impropriety of the Contractor;
- 8.1.2 the Contractor or any other member of the Contractor's Group is given notice by the relevant lender that it has committed a material breach of any covenants to its lenders;
- 8.1.3 any publicly available audit report issued in respect of any audited financial statements of the Contractor or the Contractor's Group is qualified in any material adverse respect;
- 8.1.4 the Contractor is given notice of breach of any material agreement to which it is a party or, in the case of an agreement under which funds have been made available to or are then outstanding from the Contractor, early or accelerated repayment is demanded of all or any of such funds (and the Contractor hereby undertakes in favour of the Bank to notify the Bank in writing of any such breach or circumstances as soon as possible upon becoming aware of it);
- 8.1.5 the Contractor or the Contractor's Group effects a restructuring or other reorganisation or arrangement with its creditors generally or any class of its creditors the primary purpose, or one of the main purposes, of which is to reschedule any of its indebtedness or avoid the Contractor or any member of the Contractor's Group becoming insolvent;
- 8.1.6 the Bank serves notice on the Contractor that as at the date of such notice it has a reasonable basis for believing that there is a significant possibility of the Contractor becoming insolvent at some time during the six (6) Months following that date;

(each a “**Contractual Reassurance Event**”) then the Contractor shall notify the Bank within ten (10) Working Days of the relevant event, setting out the matters giving rise to such Contractual Reassurance Event, or, in the event that the Bank becomes aware of a Contractual Reassurance Event before it receives such a notification from the Contractor, the Bank may serve a notice on the Contractor, setting out the matters giving rise to such notice (each being a “**Contractual Reassurance Notice**”). Any such notice shall state on its face that it is a Contractual Reassurance Notice served under this Clause 8.1.

- 8.2 As soon as possible following the service of a Contractual Reassurance Notice (or, if the Bank becomes aware of any of the circumstances referred to in Clauses 8.1.1 – 8.1.6 (inclusive) without the service of a Contractual Reassurance Notice, upon the Bank's written notification), the parties shall arrange a meeting between the Managing Director of the Contractor and the Primary Account Manager of the Bank in order to discuss the matters referred to in the Contractual Reassurance Notice or notified to the Bank under this Clause and the Contractor's ongoing ability to comply fully with its obligations under this Agreement.
- 8.3 Where the Contractor is unable to demonstrate to the reasonable satisfaction of the Bank that it is capable (or will be capable) of complying fully with its obligations under this Agreement, the Bank may, without prejudice to its other rights and remedies under this Agreement:

- 8.3.1 require the Contractor to provide such further information and take such steps as the Bank may reasonably require in order to satisfy itself as to the Contractor's ability to continue to fulfil and invest in the performance of its obligations under this Agreement;
  - 8.3.2 require the Contractor's chief financial officer to update the Bank as to its financial standing on a monthly basis;
  - 8.3.3 increase its monitoring of the Contractor's performance of its obligations under this Agreement for such period as the Bank may specify by notice in writing to the Contractor and, following such notification, the Contractor shall provide all necessary access and co-operation to enable the Bank to exercise such rights; and/or
  - 8.3.4 require the Contractor to provide to the Bank for its approval a plan setting out in writing how the Contractor will ensure that the continuity of the Services in accordance with this Agreement will be maintained in the light of the relevant Contractual Reassurance Event.
- 8.4 Where:
- 8.4.1 the Bank (acting reasonably) is not satisfied, following the exercise of its increased monitoring rights under Clause 8.3.3, that the Contractor will be able to continue to comply in all material respects with its obligations under this Agreement; or
  - 8.4.2 the Bank (acting reasonably) does not approve the plan referred to in Clause 8.3.4 and the parties subsequently fail to agree such reasonable amendments to the plan as would make it acceptable to the Bank within five (5) Working Days of the Bank's notification; or
  - 8.4.3 the Contractor fails to provide the Bank with a plan as required by Clause 8.3.4 within ten (10) Working Days of the Bank's request for the same or fails to comply with the terms of any plan which is approved by the Bank under Clause 8.3.4,

then in each case, the Bank may exercise its right of termination under Clause 7.2.1 (Termination for Default) of this Agreement by giving notice in writing to the Contractor.

## 9. **PERSONNEL TRANSFER**

- 9.1 The Bank and the Contractor agree that it is not intended that the provision of the Services pursuant to this Agreement will give rise to a relevant transfer for the purposes of the Transfer Regulations. The Bank warrants that as at the date of this Agreement, there are no employees of the Bank assigned to services to be replaced (in whole or in part) by the Services.
- 9.2 The Contractor warrants that none of the Personnel are subject to the Transfer Regulations or any law or regulation equivalent to the Transfer Regulations which would give rise to a transfer of any of the Personnel from the Contractor to the Bank on the termination or expiry of this Agreement.

**IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorised representatives on the date first above written.**

**EXECUTED** by the parties

For and on behalf of **THE BANK OF ENGLAND**



## SCHEDULE 1

### DEFINITIONS AND INTERPRETATIONS

#### 1. Definitions

In this Agreement the following provisions shall have the meaning given to them below:

“2011 Agreement” has the meaning set out in Clause 1.2.4;

“2023 Agreement” has the meaning set out in Clause 1.2.5;

“2027 Amendment Agreement” has the meaning set out in Clause 2.5.2;

“Acceptance or Accepted” means the Bank has accepted that an element of the Services meets all its exit criteria, as set out in Schedule 4 (Acceptance);

[REDACTED] means the charges for [REDACTED] as set out in paragraph 2.4 of Schedule 3 (Charges);

“Additional KPIs” has the meaning set out in Annex D of Schedule 5 (Service Levels, Support & Maintenance);

[REDACTED] has the meaning set out in paragraph 2.4.1.1 of Schedule 3 (Charges);

[REDACTED] means the [REDACTED] as set out in paragraph 2.4 of Schedule 3 (Charges);

“Agreement” means the Clauses of this Agreement, together with the Schedules to it (including the Boilerplate Terms);

“Alternate Processing Procedures” or “APP” means the process or processes the Bank chooses in order to complete one or more business functions, when a System is unavailable due to a fault, failure or other problem with the System, or upstream or downstream systems or infrastructure;

“Annual Services Review Meeting” means the yearly meeting between both parties which reviews the Contractor’s performance of the Services during the preceding Financial Year as more particularly described in paragraph 5 of Schedule 6 (Monitoring and Governance);

“Approval” and “Approved” means the written consent of the Bank’s Project Manager or other authorised officer of the Bank as the case may be;

“Bank Data” means

- (i) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are supplied to the Contractor by or on behalf of the Bank; or
- (ii) any data generated as part of the operation of the System by the Bank; or

(iii) any personal data which the Contractor processes on behalf of the Bank, if any;



“Bank Software” means software which is owned by or licensed to the Bank but excluding the Software;

“Bank’s Supplier Code of Practice” means the document found at [www.bankofengland.co.uk/-/media/boe/files/about/supplier-code-of-practice](http://www.bankofengland.co.uk/-/media/boe/files/about/supplier-code-of-practice), as in force from time to time;

“Bank Systems” means the Bank’s entire technology environment (including all hardware, software, telecommunications networks and other IT systems and solutions) which is owned and/or operated by or on behalf of the Bank (including by the Contractor) or any part of it;

“BAU Services” means the maintenance and support services (and any other services as may be agreed between the parties) which the Contractor shall provide to the Bank following Final Acceptance;

“Bespoke Development” means any development work requested by the Bank in relation to the System or otherwise which falls outside of the Bank’s existing requirements as those are set out in the Bank’s SOUR;

“Boilerplate Terms” means the Bank’s standard terms and conditions as set out in Schedule 9 (Boilerplate Terms);

“Change” means a change to this Agreement;

“Change Control Procedure” means the procedure for Changes set out in Schedule 8 (Change Control);

“Change Request” means a request for a Change as set out in Schedule 8 (Change Control);

“Change in Law” means any change in Law, which impacts on the performance of the Contractor’s obligations under this Agreement which comes into force after the Effective Date;



“Charge Review Procedure” means the procedure for reviewing any change in the Charges that may arise as a result of a Change Request as such procedure is detailed in paragraph 5.3 of Schedule 8 (Change Control);

“Commercially Reasonable Efforts” means that the party obliged to perform shall take all such steps and perform in such a manner as if it were acting in a prudent and reasonable manner in order to achieve the desired result for its own benefit;

“Commercially Sensitive Information” means any information identified by the Contractor in Schedule 7 (Commercially Sensitive Information) comprising the information of a commercially sensitive nature relating to the Contractor, its

Intellectual Property Rights or its business or which the Contractor has indicated to the Bank that, if disclosed by the Bank, would cause the Contractor significant commercial disadvantage or material financial loss;

“Confidential Information” means all information (whether written, oral or by another means and whether directly or indirectly) relating to the disclosing party (“Disclosing Party”) whether created before or after the date of this Agreement including, without limitation, information relating to the Disclosing Party’s: (i) Intellectual Property Rights, software, products, systems, operations, processes, plans or intentions, product information, know-how and market opportunities; and (ii) business, identity and affairs and the business, identity and affairs of its directors, officers, employees, Banks and potential Banks, suppliers, agents, or sub-contractors and the like, which comes into the possession of the other party (“Receiving Party”) and any market sensitive information and the Commercially Sensitive Information;

“Contract Year” shall mean the twelve months commencing on the Effective Date (or any anniversary thereof until the expiry of the Agreement);

“Contractor Equipment” means any hardware (including, without limitation, computers and telecoms devices), Portable Electronic Devices and other equipment used by the Contractor or the Contractor’s sub-contractors for the provision of the Services, other than the Bank Equipment;

“Contractor’s Group” means the Contractor, its subsidiaries and its holding companies and every subsidiary of each holding company from time to time (as such terms are defined in the Companies Act 2006);

“Core Code” has the meaning set out in paragraph 1.2 of Schedule 3 (Charges);

“Custom Code” has the meaning set out in paragraph 1.2 of Schedule 3 (Charges);

“Data Protection Legislation” means all applicable data protection and privacy legislation and regulation in force from time to time in the UK including the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) (UK GDPR); the Data Protection Act 2018 (DPA 2018) (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended and the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and applicable to a party, and all references to ‘personal data’, ‘processing’, ‘pseudonymisation’, ‘controller’, ‘processor’, ‘personal data breach’, and ‘cross-border processing’ shall be construed accordingly;

“Default” means any material breach of the obligations of either party (including but not limited to a fundamental breach or a breach of a fundamental term) in connection with or in relation to the subject matter of this Agreement and in respect of which such party is liable to the other;

“Deliverables” means any materials to be provided by the Contractor to the Bank under this Agreement;

“Developments” means all inventions, improvements, modifications, processes, formulae, models, designs, prototypes and sketches, drawings, plans, reports, ideas, know-how, data, techniques, documentation, Deliverables, software (whether human or machine) or specifications therefor or other matters which the Contractor and/or the Personnel alone or with one or more others may make, devise or discover during the Term or which pertain to, result from or are suggested by any work which the

Contractor and/or the Personnel have done or may hereafter during the Term do for the Bank;

“Documentation” means all technical and business manuals, instructions or other materials provided by the Contractor to the Bank for the Bank’s use when operating the System;

“Disclosing Party” has the meaning given to it in the definition of “Confidential Information”;

“Dispute Resolution Procedure” means the dispute resolution procedure set out in Clause A2.20 (Dispute Resolution Procedure) of the Boilerplate Terms;

“Effective Date” means 21 December 2027 as set out in clause 2.1 of the Main Terms;

“Environmental Information Regulations” means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;

“Error” means:

(i) [Redacted]

(ii) [Redacted]

“Final Acceptance” means final acceptance of the Implementation Services as set out in paragraph 3.10 of Schedule 4 (Acceptance) of the 2011 Agreement;

“Final Payment Period” has the meaning set out in paragraph 2.2.10 of Schedule 3 (Charges);

“Financial Year” means any period from 1 March to 28 or 29 February during the Term of this Agreement;

[Redacted]

■ [Redacted]

■ [Redacted]

■ [Redacted]

[Redacted]

“FOIA” means the Freedom of Information Act 2000 and any subordinate legislation made under this 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” means any cause or event affecting or delaying the performance by a party of its obligations arising from acts, omissions, events, happenings or non-happenings beyond its reasonable control including (but without limiting the generality thereof): (i) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, sabotage, terrorism or threat thereof; (ii) any act of state or other exercise of sovereign, judicial or executive prerogative by any competent government authority; or (iii) any act of God, earthquake, tempest, cyclone, hurricane, typhoon, tidal wave, whirlwind, storm and other extreme adverse weather conditions. Any act, omission, event, happening or non-happening will only be considered a Force Majeure Event if it is not attributable to the wilful act, neglect or failure to take reasonable precautions of the affected party, its agents or employees;

“Fraud” means any offence under Laws creating offences in respect of fraudulent acts in relation to the Agreement;

[REDACTED]

[REDACTED]

“Go-Live Decision Point” means the decision to begin use of the System in the Live Environment to be made in accordance with paragraph 3.9 of Schedule 4 (Acceptance);

“Good Industry Practice” means standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;

“Handover Support” occurs at the time indicated in paragraph 1.1.5 of the Implementation Plan and which is more particularly described in paragraph 4.3.1.3 of Schedule 2 (SOW);

[REDACTED]

“Implementation Period” means the period up to and including the date of Final Acceptance;

“Implementation Plan” means the timetable for the provision of the Implementation Services as set out in Part 1 of Annex B of Schedule 2 (SOW) of the 2011 Agreement;

“Implementation Services” means the services performed by the Contractor in accordance with the terms of the 2011 Agreement as such are more particularly described in paragraph 3 of Schedule 2 (SOW) of the 2011 Agreement;

“Incident” means all tickets raised as a result of a Bank user not being able to complete a usual task/function, regardless of the underlying root cause;

“Information” has the meaning given under Section 84 of the FOIA;

“Initial Acceptance” means the initial acceptance of the System as a result of the Bank accepting that the Contractor has successfully completed all the exit criteria for the project phases detailed in paragraphs 3.2 (User Requirements and Solution Design), 3.4 (System Testing), 3.5 (System Installation Testing) and 3.6 (Quality Assurance Testing) of Schedule 4 (Acceptance);

“Initial Payment Period” has the meaning set out in paragraph 2.2.8 of Schedule 3 (Charges);

“Intellectual Property Rights” means (whether registered or unregistered) copyrights, patents, utility models, trade marks, service marks, design rights, database rights, semiconductor topography rights, proprietary information rights and all other similar proprietary rights as may exist anywhere in the world now or in the future;

“Intermediary” has the meaning set out in Clause 4.5.1;

“Intermediary Worker” has the meaning set out in Clause 4.5.1;

“Issue” means any security related issue arising, within the control of the Contractor, that may affect the Services;

“IR35 Status Decision” has the meaning set out in Clause 4.5.3;

“ITEPA” has the meaning set out in Clause 4.5.1;

“Key Personnel” mean those persons named in paragraph 7 of Schedule 2 (SOW) as being critical members of the Contractor’s personnel who are necessary to the proper provision of Services under this Agreement;

“KPIs” means the key performance indicators set out in Annex B of Schedule 5 (Service Levels, Support & Maintenance);

“Law” means any applicable law, statute, bye-law, regulation, order, regulatory policy, rule of court, delegated or subordinate legislation;

[REDACTED]

“Live Environment” means the live testing environment within the Bank’s System where the System shall be tested prior to Final Acceptance;

“Main Terms” means the provisions set out in Clauses 1 – 9;

[REDACTED]

“Maintenance Period” means the period following the date of Final Acceptance;

[REDACTED]

“Major Release” has the meaning set out in Paragraph 2.2.2.2 of Schedule 3 (Charges);

“Malicious Software” means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;

“Market Practice Code” has the meaning set out in paragraph 1.2 of Schedule 3 (Charges);

“Migration Plan” means the plan for migration and go-live testing as described in paragraph 3.9 of Schedule 4 (Acceptance) of this Agreement;

“Minor Release” has the meaning set out in Paragraph 2.2.1.7 of Schedule 3 (Charges);

“Month” means calendar month;

[REDACTED]

“New Services” means services which are different from and in addition to the Services once accepted by both parties, new services implemented into this Agreement by the Contractor shall form part of the Services;

[REDACTED]

“Old Agreement” has the meaning set out in Clause 1.2.5;

“Our Code” means the Bank’s code referred to in clause 3.2.4;

“Payment Year” has the meaning set out in paragraph 1.2 of Schedule 3 (Charges);

“Per Diem” has the meaning set out in paragraph 2.5.2.2 of Schedule 3 (Charges);

“Personnel” means employees, directors, officers, independent contractors and agents of the Contractor or any of its sub-contractors or agents (including any Key Personnel) employed or engaged in any way in the performance of the Contractor’s obligations under this Agreement;

“Portable Electronic Devices” means any portable electronic device that has the ability to transmit, record, or store information including laptops, mobile telephones or other wireless data/information transmission devices, or personal digital assistants;

“Premises” means the Bank’s premises at Threadneedle Street, the Debden site, the Leeds site, and the Bank’s Data Centres, and where the Services are to be performed, as may be specified in Schedule 2 (SOW), and as may be agreed between the parties in writing;

“Prohibited Umbrella Company” has the meaning set out in Clause 4.5.10;

“Project Change Control Register” means the register maintained during the Term of this Agreement to record all changes in scope and price to the Services (including any New Services);

“Project Manager” means the Bank’s project manager or the Contractor’s project manager (or such other representatives as nominated by the parties) from time to time;

“Project Managers’ Review Meeting” means the monthly review meeting between both parties’ Project Managers as further detailed in Paragraph 5.1.2 of Schedule 6 (Monitoring & Governance);

“Quality Assurance Testing” means the testing phase carried out by the Bank to confirm that the initial delivery of the System meets a representative sub-set of the Bank’s SOUR as more particularly detailed in paragraphs 2.7 and 3.6 of Schedule 4 (Acceptance);

“Quality Standards” means the quality standards published by the British Standards Institute, the International Organisation for Standardisation or other reputable body, that a leading company within the Contractor’s relevant industry or business sector would be expected to comply with, and as may be further detailed in Schedule 2 (SOW);

“Receiving Party” has the meaning given to it in the definition of “Confidential Information”;

“Releases” means the successive formulations of the Software following any minor correction, adaptation, enhancement, upgrade or development;

“Request for Information” means a request for information or an apparent request under the FOIA or the Environmental Information Regulations;

[REDACTED]

“Rework” means changes required to be made by the Contractor following defects discovered during any phase or period of testing;

“Security and Penetration Testing” means the testing carried out by a third party on behalf of the Bank to ensure that the System is secure from unauthorised external and internal attack, including the use of code scanning tools or services;

“Security Requirements” [REDACTED]

“Service Failure” means an Error with all or any part of the System or a failure to perform the Services in accordance with the terms of this Agreement;

“Service Levels” means the service levels set out in Schedule 5 (Service Levels, Support & Maintenance);

“Services” means the implementation, consultancy, training, support and maintenance services to be provided by the Contractor as more particularly detailed in Schedule 2 (SOW);

“Software” means the version of the computer program developed using [REDACTED]

“Source Code Materials” means the human readable source code for the System;

“Statement of User Requirements or “SOUR” means the Bank’s detailed list of requirements for the System which shall be inserted into Annex A of Schedule 2 (SOW);

“Step-In” means the right of the Bank to take control over the provision of the Services or any part of them in accordance with Clause 3.6;

“Support Services” means the support services to be delivered by the Contractor as such are more particularly detailed Schedule 5 (Service Levels, Support & Maintenance);

“System” means the single collateral technology system comprising the Software as configured and developed by the Contractor in accordance with this Agreement;

“System Installation Testing” means the process set out in paragraphs 2.6 and 3.5 of Schedule 4 (Acceptance);

“System Integration Testing” means the testing that is carried out by the Bank to determine that the links between the System and the Bank Systems function correctly;

“System Licence” means the licence granted to the Bank in accordance with paragraph 6.1.2.1 of Schedule 2.

“Term” means the period of duration of the Agreement in accordance with Clauses 2.1 and 2.2 and any extensions agreed pursuant to Clause 2.3;

“Termination Assistance” means the assistance to be provided by the Contractor to the Bank in accordance with Clause 7.5 of the Main Terms;

“Termination Assistance Period” means the period of 6 months (or any such other period that the parties may agree upon) starting on the date of termination or expiry of this Agreement;

“Test Scenarios” the testing scenarios proposed by the Contractor which have been designed by the Contractor to match the Bank’s requirements;

“Testing Strategy” means the finalised strategy for the complete testing of the System by the Contractor and Bank as such has been agreed between the parties in accordance with the timescales set out in paragraph 3.7.3 of Schedule 2 (SOW);

“Third Party Software” means software which is proprietary to any third party which is or will form part of the System;

“Transfer Regulations” means the Transfer of Undertakings (Protection of Employment) Regulations 2006;

“UAT Environment” means the Bank’s user acceptance test environment where the System shall be tested in accordance with Schedule 4 (Acceptance);

“UK GDPR” means the General Data Protection Regulation as applicable as part of UK domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019 (as amended);

“Upgrade Amendment” has the meaning set out in the recitals;

“User Acceptance Testing” or “UAT” means the testing of the System by a team of the Bank’s business users as more particularly detailed in paragraph 2.8 and 3.7 of Schedule 4 (Acceptance);

“Version(s)” means the major functional and technical upgrades of the Software developed by the Contractor using the same technology;

“Working Day” means any day other than a Saturday, a Sunday or a day which is a common law or statutory bank holiday in England and Wales; and

“Working Hours” means any hour on a Working Day during Office Hours.

## **2. Interpretations**

The interpretation and construction of this Agreement shall be subject to the following provisions:

- (i) As used in this Agreement unless the context otherwise requires, the masculine includes the feminine, and the neuter includes the masculine and the feminine.
- (ii) As used in this Agreement unless the context otherwise requires, the singular includes the plural and vice versa.
- (iii) References in this Agreement to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument as amended by any subsequent enactment, order, regulation or instrument or as contained in any subsequent re-enactment thereof.
- (iv) The headings in this Agreement are for the convenience of the parties only, and are in no way intended to affect, describe, interpret, define or limit the scope, extent, intent or interpretation of this Agreement or any provision of this Agreement.
- (v) Subject to (vi) below, in the event of any conflict or inconsistency between any provision of the Clauses (in the Main Terms and the Boilerplate Terms) and any provision of the Schedules (other than Schedule 5 (Service Levels, Support & Maintenance)), the former shall prevail, but only to the extent of the conflict or inconsistency. In the event of any conflict or inconsistency between the Schedules, the later in time shall prevail, but only to the extent of the conflict or inconsistency. In the event of any conflict or inconsistency between the Clauses in the Main Terms and the Boilerplate Terms, the Clauses in the Main Terms shall prevail. The Boilerplate Terms need to be read in conjunction with the Main Terms.
- (vi) Notwithstanding (v) above, if there is any inconsistency between the terms of Schedule 10 (Environments and Data Security Requirements) and the Agreement (including any annexes, schedules, appendices attached to the Agreement or any documents incorporated into the Agreement by reference), the terms of Schedule 10 shall prevail to the extent of any inconsistency.

- (vii) The words “include”, “includes” and “including” are to be construed as if they were immediately followed by the words “without limitation”.

**SCHEDULE 2**

**STATEMENT OF WORK (“SOW”)**

**1. GENERAL**

1.1 This Schedule 2 sets out the following:

1.1.1 the Services that will be provided by the Contractor; and

1.1.2 a description of what each part of the Services entails.

**2. SCOPE OF SERVICES**

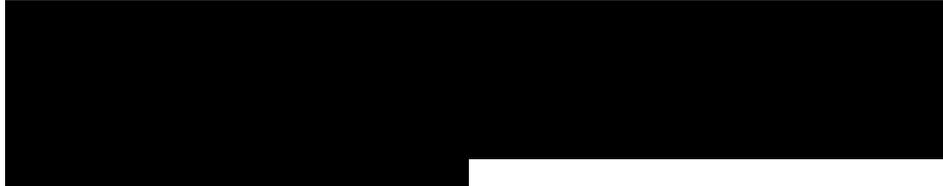
**2.1 Summary of Bank’s Requirements**

2.2 The Bank provides banks and other financial institutions with central bank money or securities on a collateralised basis, at a variety of maturities and against a variety of collateral. The Bank wishes to move from using a repo or asset swap model to a single collateral pool model to settle these transactions. The Bank therefore wishes to implement a new system to manage and support the collateral model and has appointed the Contractor to implement the System in accordance with the terms of this Agreement.

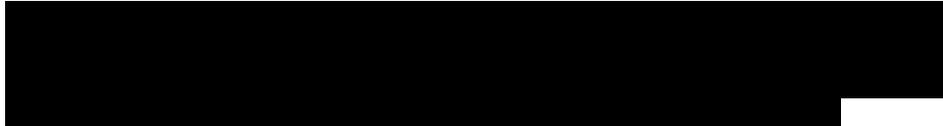
2.3



2.4



2.5



2.6 In addition to the provision of the System in accordance with this Schedule, the Contractor shall also provide a number of Services to the Bank including consultancy, configuration, implementation, maintenance and support all as are described in this Schedule 2.

2.7 Subject to the provisions of Clause 5 (Intellectual Property Rights) of the Main Terms and paragraph 6 (Software Licences) of this Schedule 2, the Contractor shall provide the Bank with its standard System which shall be delivered to the Bank in a combination of standard modules.

3. **IMPLEMENTATION SERVICES**

3.1 No longer required

4. **CONSULTANCY SERVICES**

4.1 **Provision of Consultancy Personnel**

4.1.1 No longer required.

4.2 **Training**

4.2.1 The Contractor shall provide training services during the Term of this Agreement as set out below. The Contractor and the Bank recognise that these training provisions may be subject to change in the intended 2027 Amendment Agreement as mutually agreed between the Parties.

4.2.2 The Contractor shall provide the following types of training:

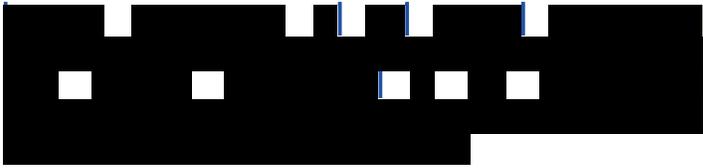
4.2.2.1 Familiarisation training intended for the triallers will be provided at a location to be agreed between the parties during the development phase set out in the implementation plan detailed in the relevant Statement of Work. This training is intended to ensure that the triallers acquire sufficient knowledge to enable them to write test conditions and test scripts in advance of the delivery of the System. The training shall be provided on the latest version of the Bank's developed and configured System.

4.2.2.2 Familiarisation training is intended for the Bank's key business users, project team and test team to ensure they acquire sufficient knowledge to conduct initial quality assurance testing and UAT of the System. The training shall be delivered by the Contractor's business consultants and shall include presentations, running through examples, and hands-on training.

4.2.2.3 Formal "Train the Trainers" training is provided on the fully configured and developed System and is intended for the Bank's nominated trainers. This training will be provided by the Contractor to the Bank during the UAT phase set out in paragraph 3.7 of Schedule 4 (Acceptance). This training shall provide the Bank with a pool of staff with sufficient knowledge of the System to be able to provide training to end users of the System. The training shall include presentations, running through examples, and hands on training.

4.2.2.4 IT operational training is intended for the Bank's technical/ISTD personnel to ensure they acquire the necessary knowledge to set up, test and administer the technical aspects of the System, such as installation, start-up and shutdown, batches and interfaces. The training shall be delivered by the Contractor's IT

consultants and shall include presentations, running through examples, and hands-on training.

- 4.2.2.5 Refresher training shall be provided on the System and is intended to prepare the Bank's technical/ISTD personnel for the System 'Go-Live'. The aim of the training will be to refresh trainees on the main functions and concepts of the System which will be used in Go-Live. Training areas include but are not limited to: business stream, static data maintenance, configuration, transactions monitoring and reporting; technical stream, system development, interfaces and monitoring. The training shall also include presentations, run-through examples and hands-on training. Tests shall be conducted at the end of the training session to assess the attendees' readiness for Go-Live.
- 4.2.3 The training types set out at paragraph 4.2.2 (with the exception of the training for triallers as set out in paragraph 4.2.2.1) will include the following:
  - 4.2.3.1 
  - 4.2.3.2 
  - 4.2.3.3 
- 4.2.4 Following completion of a training session or module, the trainee shall be tested by the Contractor to ensure that the trainee's knowledge of the System matches the testing criteria for that session or module as such has been agreed between the parties. The trainees will be asked in this respect to execute some particular business and technical scenarios on the System and their performance will be assessed by the Contractor. The Contractor shall inform the Bank as soon as practicable after a training session has completed, of the results of Contractor's trainee training sessions. The format of such feedback shall be agreed by each party's Project Managers during the provision of such training services and the results of that training can be anonymised as appropriate. The Bank reserves the right to monitor any testing of the Bank's personnel during the Term of this Agreement. The Bank shall inform the Contractor in advance of any training session if it wishes to monitor any training or testing sessions.
- 4.2.5 The Bank can request additional training during the Term of this Agreement. If the Bank does make such a request, the Contractor shall use all reasonable endeavours to provide the Bank with additional training as required and any additional training shall be agreed in accordance with the provisions of Schedule 8 (Change Control).

4.3 **Support Services**

4.3.1 No longer required.

5. **BAU SERVICES**

5.1 **Maintenance Services**

5.1.1 On the Effective Date, the Contractor shall provide the Bank with the Maintenance Services detailed in paragraph 1 of Annex A of Schedule 5 (Service Levels, Support and Maintenance) and as such as measured in accordance with that Schedule.

5.1.2 Exclusions

[REDACTED]

5.1.2.1

[REDACTED]

5.1.2.2

[REDACTED]

6. **SOFTWARE LICENCES**

6.1 The Contractor shall provide the Bank with the following licences:

6.1.1 Temporary Licence

6.1.1.1 No longer required.

6.1.2 System Licence

[REDACTED]

6.2 The Bank shall have the right to make copies of the System in accordance with applicable law for back-up, disaster recovery and testing purposes only.

7. **Provision of Personnel**

7.1 During the Implementation Services

7.1.1 No longer required.

7.2 During the Maintenance Services

The following person is considered Key Personnel for the purpose of the Maintenance Services:

7.2.1 Contractor's Account Manager.

- 7.3 The Contractor's Personnel shall be allocated to the Services as agreed between the Parties from time to time.
- 7.4 The provisions of Clause 3.4 (Review of Performance of Services and Key Personnel) of the Main Terms shall apply to the provision of Key Personnel by the Contractor.

**SCHEDULE 3**

**CHARGES**

**SCOPE**

1.1 [REDACTED]

1.1.1 [REDACTED]

1.1.2 [REDACTED]

1.1.3 [REDACTED]

1.2 For the purposes of this Schedule 3:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**2. CHARGES**

2.1 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**2.2 MAINTENANCE CHARGES**

2.2.1 [REDACTED]





[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

## 2.4 ADDITIONAL CONSULTANCY AND SUPPORT CHARGES

### 2.4.1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

|            |            |            |            |
|------------|------------|------------|------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

2.4.2 [Redacted]

[Redacted]

[Redacted]

[Redacted]

2.5 **EXPENSES**

2.5.1 [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

2.5.3 [REDACTED]

[REDACTED]

[REDACTED]

**3. INDEXATION**

3.1 [REDACTED]

[REDACTED]

**4. INVOICING**

4.1 All invoices issued by the Contractor pursuant to this Agreement shall be issued in accordance with Clause 4 of the Main Terms.

4.2 The Contractor shall be entitled to issue invoices in accordance with Clause 4.2 of the Main Terms and the terms set out in this paragraph 4.

4.3 Each invoice issued by the Contractor shall be issued in a format as may be reasonably requested by the Bank from time to time and shall be uploaded to the CRM System.

4.4 Each invoice submitted by the Contractor shall include as a minimum, the following information:

4.4.1 the date of the invoice;

4.4.2 the invoice number;

4.4.3 the purchase order number provided by the Bank;

4.4.4 the period(s) to which the Charges relate;

4.4.5 a breakdown of the types of Charges being submitted (for example, Implementation Charges or Maintenance Charges);

4.4.6 [REDACTED]

4.4.7 contact name and telephone number of a person in the Contractor's finance department responsible for dealing with any administrative queries; and

- 4.4.8 the banking details necessary to enable payment by electronic transfer of funds.
- 4.5 Where any invoice does not conform in any material respect to the requirements set out in paragraph 4.4, the Bank shall, unless it nevertheless intends to pay such invoice, within ten (10) Working Days, inform the Contractor of the reason for non-conformance and return the invoice to the Contractor for reissue. In such circumstances, time for payment shall not commence until the Contractor has re-issued a properly documented invoice for the Bank's attention.
- 4.6 Clause 4.4 of the Main Terms shall apply to any dispute arising in respect of invoices submitted by the Contractor.

EXECUTION VERSION

**SCHEDULE 4**

**ACCEPTANCE**

**TABLE OF CONTENTS**

|           |  |           |
|-----------|--|-----------|
| <b>1.</b> | <b>Introduction .....</b>                                | <b>2</b>  |
| <b>2.</b> | <b>Scope .....</b>                                       | <b>3</b>  |
| <b>3.</b> | <b>The Approach .....</b>                                | <b>6</b>  |
| <b>4.</b> | <b>Roles and Responsibilities During Acceptance.....</b> | <b>23</b> |
| <b>5.</b> | <b>Test Tools.....</b>                                   | <b>24</b> |
| <b>6.</b> | <b>Test Reporting .....</b>                              | <b>24</b> |

EXECUTION VERSION

1. INTRODUCTION

1.1 Purpose of the Acceptance Tests

- 1.1.1 The purpose of this Schedule 4 is to describe, at a high level, the types of testing, the schedule of testing activities, the acceptance criteria and the reporting mechanisms to be used throughout the Acceptance testing process.
- 1.1.2 It identifies where responsibilities for the different types of testing lie, the environments and test data that will be used, the entry and exit criteria for each testing stage, and where sign-off responsibility belongs for each testing stage.
- 1.1.3 The parties should agree a test and acceptance strategy for all phases based upon the principles in this Schedule 4. For the avoidance of doubt, until the approval of the Testing Strategy, this Schedule 4 shall be binding on both parties. The Testing Strategy will be created using the principles set out in this Schedule 4 as its basis but will also, for example, define detailed criteria in respect of the classification of errors and how they relate to the different elements of the Services.
- 1.1.4 Any proposed amendments to this Schedule 4 (i.e. other than by the Testing Strategy) shall be subject to the Change Control Procedure.
- 1.1.5 Any proposed changes to the finalised Testing Strategy will also be subject to the Change Control Procedure.
- 1.1.6 For the avoidance of doubt, where the term “in a timely manner” is used throughout this Schedule 4, this term does not mean time is of the essence.

1.2

[REDACTED]

[REDACTED]

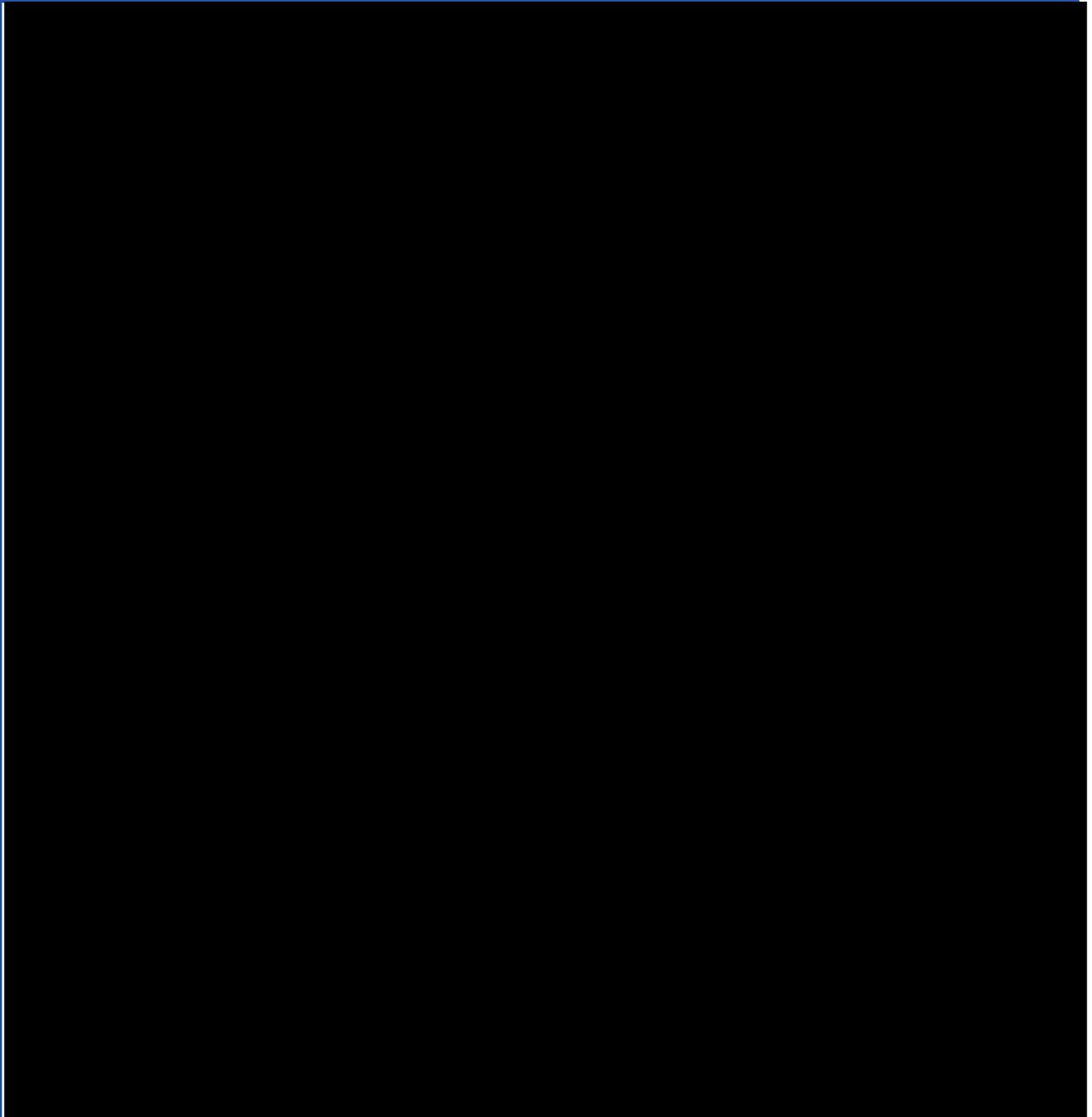
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

EXECUTION VERSION



2. **SCOPE**

2.1 **General**

This section outlines the testing to be performed during each phase of the Services.

EXECUTION VERSION

**2.1.1 Entry/Exit Criteria**

- 2.1.1.1 Entry and exit acceptance criteria will be used as decision points throughout the testing stages of the Implementation Services. Where exit criteria have been met the System or Deliverable will have passed the relevant test. Formal meetings will be held to discuss and obtain sign off that the appropriate acceptance criteria has been met. Input from the Bank is expected for the majority of the testing stages.
- 2.1.1.2 Although the testing follows a logical progression, testing stages will at some points run in parallel. The Bank does not necessarily expect to complete the sign-off process for any individual stage before the following stage is underway. The entry and exit criteria will be used to confirm that any individual stage can be started, or is entirely complete.
- 2.1.1.3 For any criteria that have not been met, sign off by the Bank's Project Manager will be required so that there is an acceptance of the risks and mitigating actions that must be put in place in relation to the outstanding faults.
- 2.1.1.4 The parties will agree at each stage whether the relevant entry and exit criteria have been met (such agreement not be unreasonably withheld or delayed).

**2.2 User Requirements Analysis and Solution Design Documents**

- 2.2.1 Subject to paragraph 3.1.5 of Schedule 2 (SOW), the SOUR and Gap Design Specifications set out in the Schedule 2 (SOW) will be assessed to ensure that the Contractor has understood the Bank's requirements and put forward a suggested solution design that both parties believe will meet those requirements.

**2.3 Unit Testing**

- 2.3.1 As each system or component within the System is created it will be tested in isolation by the Contractor to prove correct functionality. For the Software this testing has taken place during the Contractor's standard internal development process. Further unit testing will not be carried out during the Services, but the Bank may request proof that the System has successfully passed such processes.
- 2.3.2 The Bank will unit test its own internal development work separately, unrelated to the Contractor's deliverables.

**2.4 System Testing**

- 2.4.1 This is the testing stage where all of the delivered units are tested together as a System by the Contractor for the provision of the Services for each relevant phase. Functional tests are those to verify correct operation of the business functions of the System. The Bank will request proof that the System has successfully passed such processes.

## EXECUTION VERSION

**2.5 Progress Reviews**

2.5.1 The Bank will undertake several visits to the Contractor during the development phase to monitor and discuss progress as set out in paragraphs 3.4.4 – 3.4.6 of Schedule 2 (SOW). If these progress reviews reveal significant gaps between the SOUR, the Gap Design Specifications and the System, the Bank and the Contractor will need to discuss and agree on a process to resolve the outstanding issues. If the Bank undertakes any such visit and significant gaps are identified, the Bank will only accept delivery of the System once that process has been agreed upon between the parties and all outstanding issues are completed successfully.

**2.6 System Installation Testing**

2.6.1 System Installation Testing will be undertaken in the week following deployment (as set out in the Implementation Plan), and will confirm that the System has been installed correctly. It will also confirm at a high-level that the System contains the Bank's correct business configuration and any static data which the Contractor is responsible for importing.

2.6.2 The exact format of System Installation Testing shall be agreed between the parties as part of their formulation of the Testing Strategy.

2.6.3 Further System Installation Testing as agreed in the Testing Strategy will be completed separately in each of the Bank's environments, prior to that environment being used. In accordance with the plan to Handover Support from the Contractor to the Bank's support teams during the project in accordance with the provisions of the Implementation Plan, the first environments installed will be tested by the Contractor with Bank staff support, with Bank staff taking the lead for the last environments.

**2.7 Quality Assurance Testing**

2.7.1 Quality Assurance Testing will take place after successful System Installation Testing and the provision of appropriate training (as set out in Schedule 2 (SOW)) in the Bank's UAT Environment. This phase is the Bank's opportunity to confirm that the initial delivery of the System meets a representative sub-set of the Bank's functional requirements. Successful completion of the Quality Assurance Testing will be a trigger point for the payment of the corresponding Charges set out in Schedule 3 (Charges).

2.7.2 During this phase the Bank will have the first opportunity to connect the System to the Bank System and test the electronic interfaces. As well as testing these interfaces, the Bank will also run a representative sample of test scripts to prove the System is functioning correctly and ready for entry into UAT.

2.7.3 Quality Assurance Testing may subsequently take place in any further UAT Environments the Bank decides to make use of.

**2.8 User Acceptance Testing (UAT)**

2.8.1 This testing is undertaken by the Bank's test team on behalf of the business users who will be using the System. This stage aims to satisfy the business

## EXECUTION VERSION

teams that the System is acceptable and can be used in the Live Environment as delivered and configured in the test environment.

- 2.8.2 The Contractor will support the Bank's testing process during this stage, assisting Bank technical teams in resolving issues where they are identified.
- 2.8.3 System Integration Testing will be completed within UAT.
- 2.8.4 Failover and recovery testing will be completed within UAT. This testing will confirm that the System can be transferred successfully to the Bank's alternate operations site in the event of a problem at the live site. This will make use of the Bank's existing resilience technologies and will be driven by the Bank's technical teams. The Contractor will be required to assist with testing of any database recovery functionality.
- 2.8.5 Other phases included within UAT will be data migration testing; migration/reversion testing; specific/regression testing; volumes and performance testing; external testing; release testing; Alternate Processing Procedures (APP); Rework; and contingency. These stages will be more particularly detailed in the Testing Strategy.

## 2.9 Security and Penetration Testing

- 2.9.1 The Security and Penetration Testing will be completed by a third party company engaged separately by the Bank. Bank and Contractor staff will be involved at the start of this test stage to define the scope of the security test, and will assist the third party as required during the test (for example by providing test data or configuration information). Actions raised during the test that require a Fix will be agreed between the three parties and addressed by the Contractor or the Bank, depending on the scope of the change required. The code scanning procedure is further detailed in Schedule 10 (Environments and Data Security Requirements).

## 2.10 Go-Live Commission Test (Migration and Reversion Test)

- 2.10.1 After the completion of testing stages detailed above and as more particularly described in the Testing Strategy, the processes that will be used to transfer the environment settings from the UAT Environment to the Live Environment will be tested at least once. The migration strategy to be used will be defined in the early stages of the project, and the go-live commission testing will be completed at least once to ensure that the plans and procedures can be safely and successfully completed during the relevant migration periods. These tests will be completed by the Bank.

## 3. THE APPROACH

### 3.1 Introduction

- 3.1.1 This section of Schedule 4 will indicate for each test stage of each phase:
  - 3.1.1.1 the approach to testing;
  - 3.1.1.2 execution environment and associated test data;

EXECUTION VERSION

3.1.1.3 roles and responsibilities;

3.1.1.4 entry and exit criteria.

**3.2 User Requirements Analysis and Solution Design Documents**

**3.2.1 Approach**

[Redacted]

**3.2.2 Execution Environment**

[Redacted]

**3.2.3 Roles and Responsibilities**

3.2.3.1

[Redacted]

EXECUTION VERSION

[Redacted]

3.2.3.3

[Redacted]

3.2.4 **Entry and Exit Criteria**

3.2.4.1

[Redacted]

[Redacted]

3.2.4.2

[Redacted]

| Issue      | Definition | Max |
|------------|------------|-----|
| [Redacted] |            |     |

3.3 **Unit Testing** (referred to as 'Development' in the Implementation Plan)

3.3.1 **Approach**

[Redacted]

EXECUTION VERSION

**3.3.2 Execution Environment**

[Redacted]

**3.3.3 Roles and Responsibilities**

3.3.3.1

[Redacted]

3.3.3.2

[Redacted]

**3.3.4 Entry and Exit Criteria**

3.3.4.1

[Redacted]

**3.4 System Testing**

**3.4.1 Approach**

3.4.1.1

[Redacted]

EXECUTION VERSION

3.4.1.2 [Redacted]

3.4.1.3 [Redacted]

3.4.1.4 [Redacted]

3.4.1.5 [Redacted]

3.4.1.6 [Redacted]

3.4.1.7 [Redacted]

3.4.1.8 [Redacted]

3.4.1.9 [Redacted]

3.4.1.10 [Redacted]

**3.4.2 Execution Environment**

3.5.2.1 [Redacted]

**3.4.3 Roles and Responsibilities**

[Redacted]

EXECUTION VERSION

3.4.3.1 [Redacted]

3.4.3.2 [Redacted]

3.4.3.3 [Redacted]

3.4.3.4 [Redacted]

3.4.3.5 [Redacted]

3.4.4 **Entry and Exit Criteria**

3.4.4.1 [Redacted]

EXECUTION VERSION



| Issue              | Definition | Max |
|--------------------|------------|-----|
| [Redacted content] |            |     |

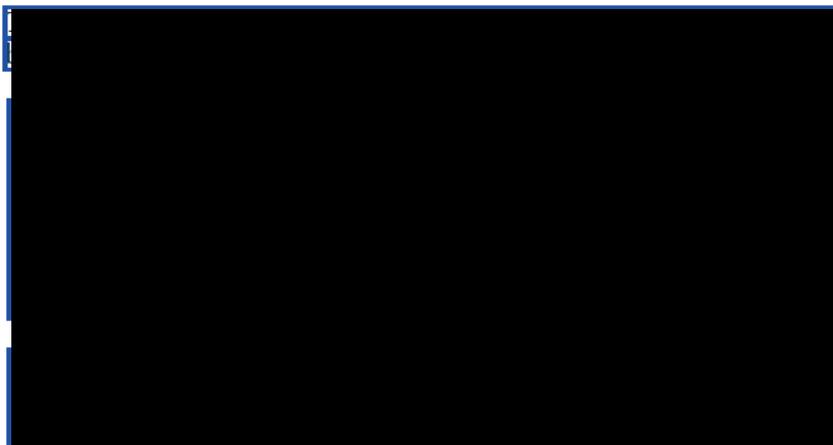
**3.5 System Installation Testing**

**3.5.1 Approach**

3.5.1.1

3.5.1.2

3.5.1.3



EXECUTION VERSION

3-5-1.4

[Redacted]

**3.5.2 Execution Environment**

3-5-2.1

[Redacted]

**3.5.3 Roles and Responsibilities**

3-5-3.1

[Redacted]

3-5-3.2

[Redacted]

**3.5.4 Entry and Exit Criteria**

3-5-4.1

[Redacted]

3-5-4.2

[Redacted]

| Issue Classification | Definition | Max |
|----------------------|------------|-----|
|----------------------|------------|-----|

[Redacted]

EXECUTION VERSION

|            |            |            |
|------------|------------|------------|
| [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] |

**3.6 Quality Assurance Testing**

**3.6.1 Approach**

[REDACTED]

[REDACTED]

[REDACTED]

**3.6.2 Execution Environment**

[REDACTED]

**3.6.3 Roles and Responsibilities**

[REDACTED]

[REDACTED]

[REDACTED]

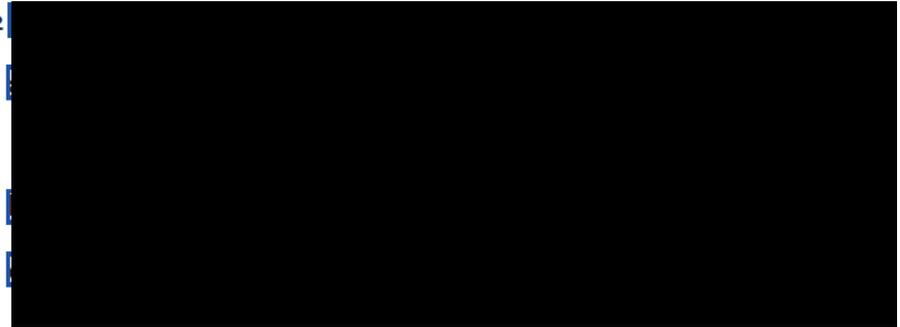
EXECUTION VERSION

**3.6.4 Entry and Exit Criteria**

3.6.4.1



3.6.4.2

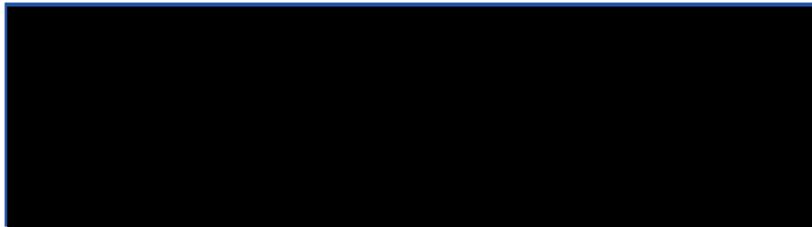


| Issue Classification | Definition | Max |
|----------------------|------------|-----|
| [Redacted content]   |            |     |

**3.7 User Acceptance Testing**

**3.7.1 Approach**

3.7.1.1



EXECUTION VERSION

|         |            |
|---------|------------|
|         | [REDACTED] |
| 3.7.1.2 | [REDACTED] |
| ■       | [REDACTED] |

EXECUTION VERSION

3.7.1.10 [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**3.7.2 Execution Environment**

3.7.2.1 [Redacted]

EXECUTION VERSION

**3.7.3 Roles and Responsibilities**

- 3.7.3.1 [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

**3.7.4 Entry and Exit Criteria**

- 3.7.4.1 [Redacted]
- [Redacted]

EXECUTION VERSION

| Issue Classification | Definition | Max |
|----------------------|------------|-----|
| [Redacted]           |            |     |

**3.8 Security and Penetration Testing**

**3.8.1 Approach**

3.8.1.1

[Redacted]

3.8.1.2

[Redacted]

3.8.1.3

[Redacted]

**3.8.2 Execution Environment**

3.8.2.1

[Redacted]

EXECUTION VERSION

### 3.8.3 Roles and Responsibilities

- 3.8.3.1 [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

### 3.8.4 Entry and Exit Criteria

- 3.8.4.1 [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

EXECUTION VERSION

[Redacted]

**3.9 Go-Live Commission Test (Migration and Reversion Test)**

**3.9.1 Approach**

3.9.1.1 [Redacted]

[Redacted]

[Redacted]

[Redacted]

**3.9.2 Execution Environment**

3.9.2.1 [Redacted]

**3.9.3 Roles and Responsibilities**

3.9.3.1 [Redacted]

[Redacted]

EXECUTION VERSION

- 3-9.3.3 [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

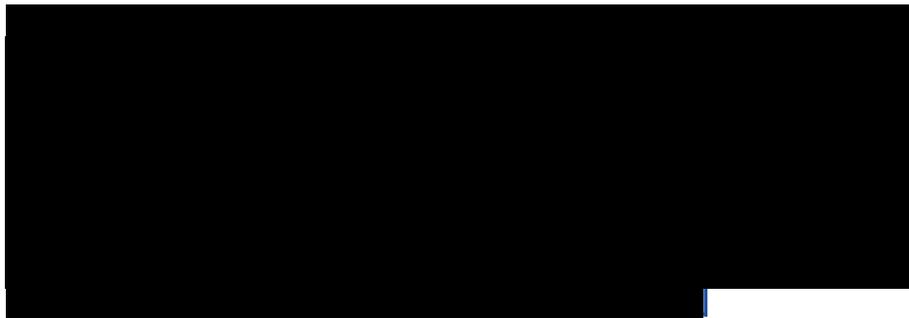
**3.9.4 Entry and Exit Criteria**

- 3-9.4.1 [Redacted]
- [Redacted]

EXECUTION VERSION

### 3.10 Final Acceptance

3.10.1



## 4. ROLES AND RESPONSIBILITIES DURING ACCEPTANCE

### 4.1 Introduction

Detailed below are the key Contractor testing roles involved in the provision of the Services.

4.1.1 The organisational structure of the Contractor's team responsible for delivering the Services will be detailed in the Testing Strategy.

4.1.2 The Bank's organisational structure and roles in respect of testing will be detailed in the Testing Strategy.

### 4.2 Test Manager

4.2.1 The Contractor's Test Manager is ultimately responsible for ensuring that all testing activities are carried out in accordance with the Testing Strategy.

4.2.2 The Contractor's Test Manager will report to the Contractor's Implementation Director on a regular basis.

4.2.3 The Contractor's Test Manager's specific responsibilities are as follows:

4.2.3.1 Managing all testing effort, with the exceptions of those phases of testing that are being resourced and jointly managed by other teams, e.g. User Acceptance Testing. However the Contractor's Test Manager must still independently verify that adequate testing is undertaken in these phases;

4.2.3.2 Production of the test plans and test summary reports for the development effort;

## EXECUTION VERSION

- 4.2.3.3 Attending regular meetings with development and business teams to ensure that defects are correctly prioritised and that disputes relating to ownership of defects are resolved;
- 4.2.3.4 Providing the programme and business with clear information relating to the status of testing activities and defects that have been identified; and
- 4.2.3.5 Supporting all test phases.
- 4.2.3.6 For the avoidance of doubt, the role of the Contractor's Test Manager will be assumed by the Contractor's Project Manager.

### 4.3 Test Analyst/Senior Test Analyst

The Contractor's Test Analysts consist of Contractor Personnel, who report to the Contractor's Test Manager and who are responsible for carrying out the testing work, including:

- 4.3.1 Analysing requirements specifications;
- 4.3.2 Producing test scripts;
- 4.3.3 Executing tests;
- 4.3.4 Recording test results in test logs;
- 4.3.5 Contributing to the production of test summaries;
- 4.3.6 Working with the Contractor's development teams and the Contractor's infrastructure team as required, to assist with defect replication and diagnosis; and
- 4.3.7 Supporting all test phases.

For the avoidance of doubt, the role of the Contractor's Test Analyst will be assumed by the Contractor's business consultants.

## 5 TEST TOOLS

- 5.1 The Testing Strategy will define the tools to be used during each phase of testing.

## 6 TEST REPORTING

- 6.2.2 Testing status and progress will be reported into the Banks' project team. This will comprise of:
  - 6.2.2.1 Progress against the Implementation Plan;
  - 6.2.2.2 Test preparation and execution statistics;
  - 6.2.2.3 Defect statistics (during test execution stage);
  - 6.2.2.4 Issues/risks; and

EXECUTION VERSION

6.2.2.5 Any customer satisfaction matters.

- 6.2.3 During the System Integration Testing phase and onwards, regular meetings will be held (either the Monthly Project Manager's review Meeting or as otherwise agreed between the parties) with key individuals to ascertain the progress of testing, defect statistics, and other issues that need addressing urgently. Out of this meeting an update email will be provided to members of each parties' core programme team to ensure that all involved parties understand the current position, next planned events and issues being addressed.
- 6.2.4 It is assumed that defect reporting will continue to be undertaken on a regular basis once the User Acceptance Testing phase has commenced, and shared with the Bank at least on a weekly basis.

## SCHEDULE 5

### SERVICE LEVELS, SUPPORT & MAINTENANCE

#### 1. SERVICE LEVELS

1.1 The Contractor shall provide the Services so as to [REDACTED]  
[REDACTED] The parties shall meet every month to review the Service Levels.

1.2 [REDACTED]

1.3 [REDACTED]

1.4 [REDACTED]

1.5 [REDACTED]

#### 2. REPORTING

2.1 [REDACTED]

2.2 [REDACTED]

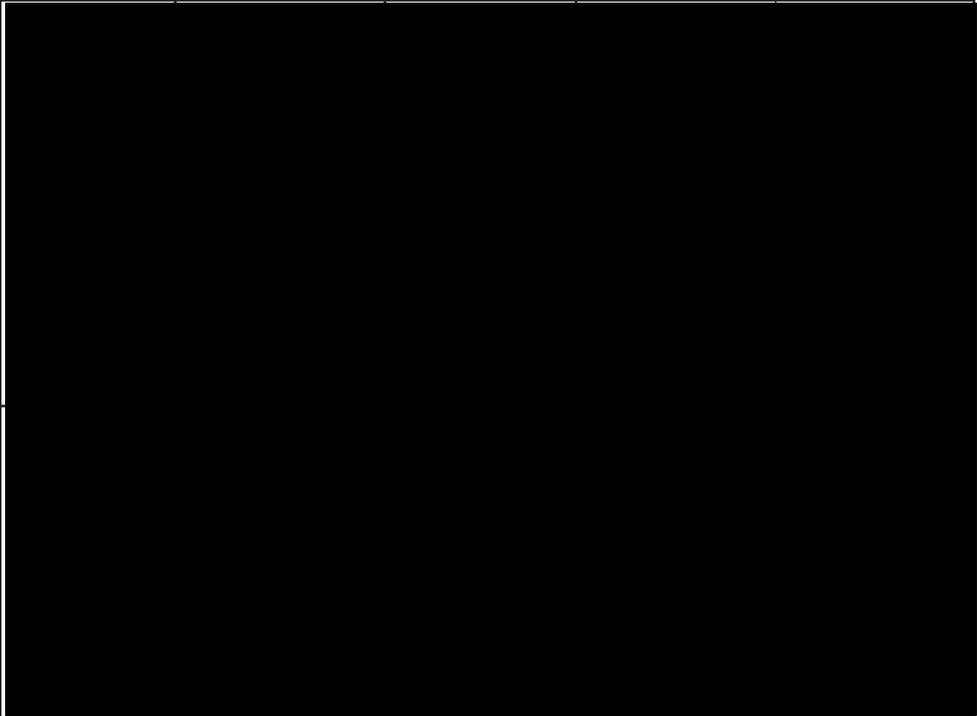
2.3 [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

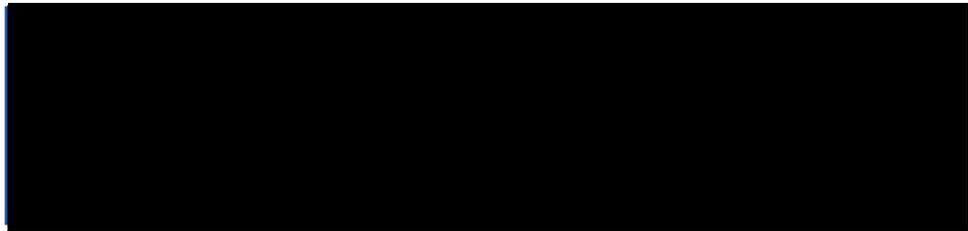
(e)



| Type of Ticket | Response time | Time to repair | Time to provide impact analysis for permanent fix | Time to send a permanent Fix |
|----------------|---------------|----------------|---|------------------------------|
|----------------|---------------|----------------|---|------------------------------|

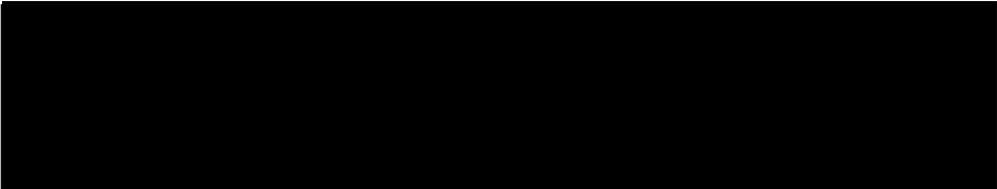


2.4



3. **FAILURE TO ACHIEVE ACCEPTANCE**

3.1



3.1.1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

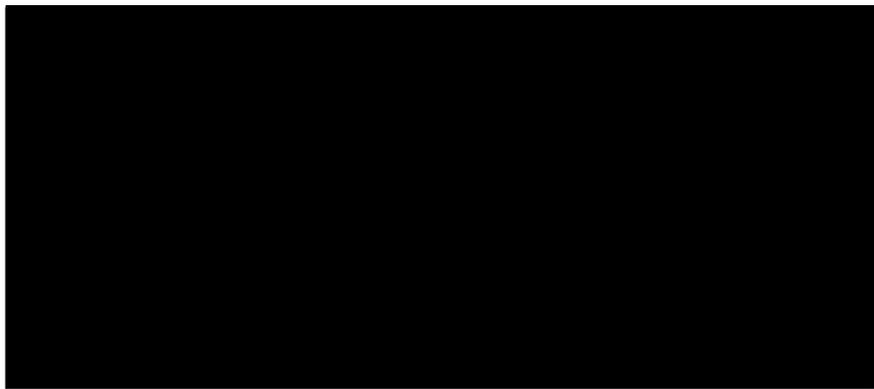
#### 4 EXCLUSIONS

4.1

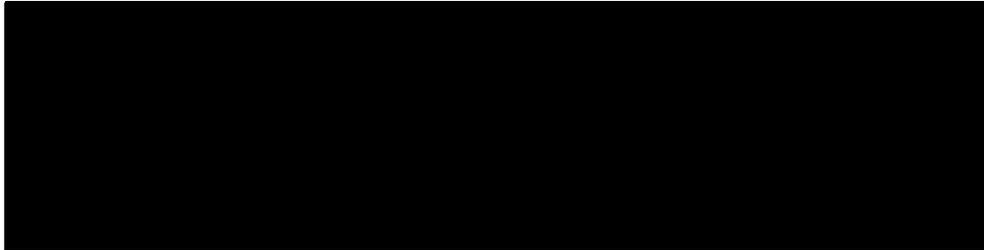
[REDACTED]

4.2.2

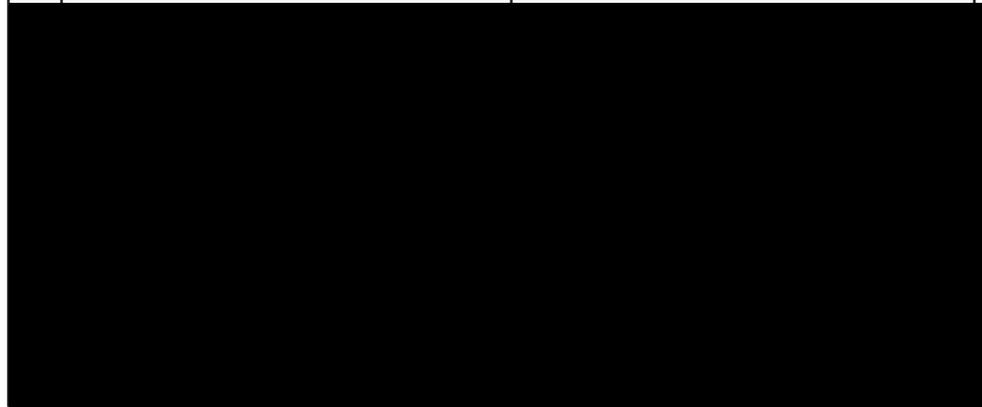
4.2.3



4.3



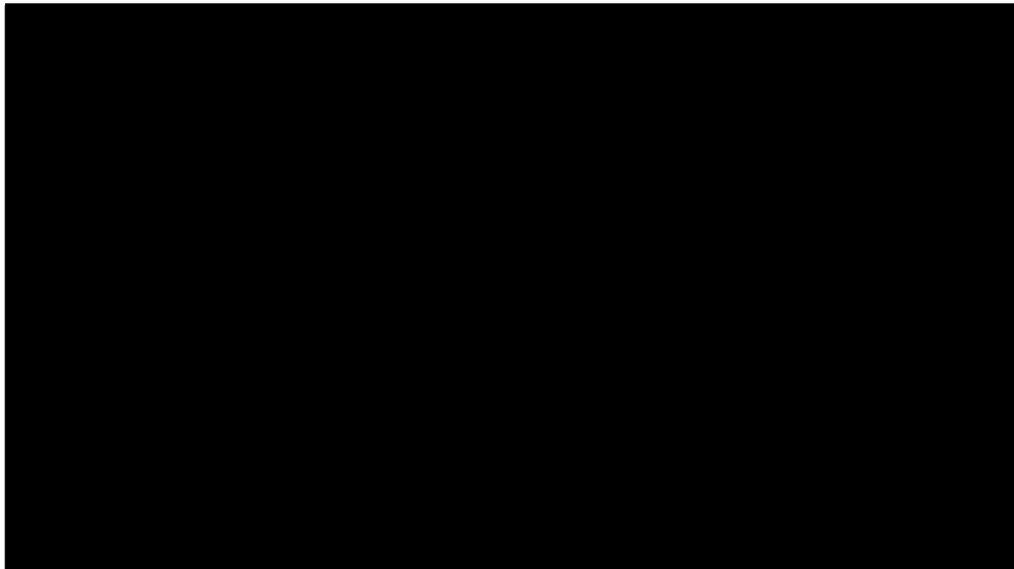
|  | <b>Conditions for when the Clock Will Stop for Response Times</b> | <b>Clock Will Restart</b> |
|--|---|---------------------------|
|--|---|---------------------------|



4.4

4.5

4.6



[Redacted]

- [Redacted]

**ANNEX A**  
**SERVICE LEVELS**

**1. MAINTENANCE SERVICES**

**1.1 Support Hours**

1.1.1 [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**1.2 Environments**

1.2.1 [Redacted]

[Redacted]

### 1.3 Incident notification procedure

#### 1.3.1

[Redacted]

### 1.4 Response Times – Live Environment

#### 1.4.1

[Redacted]

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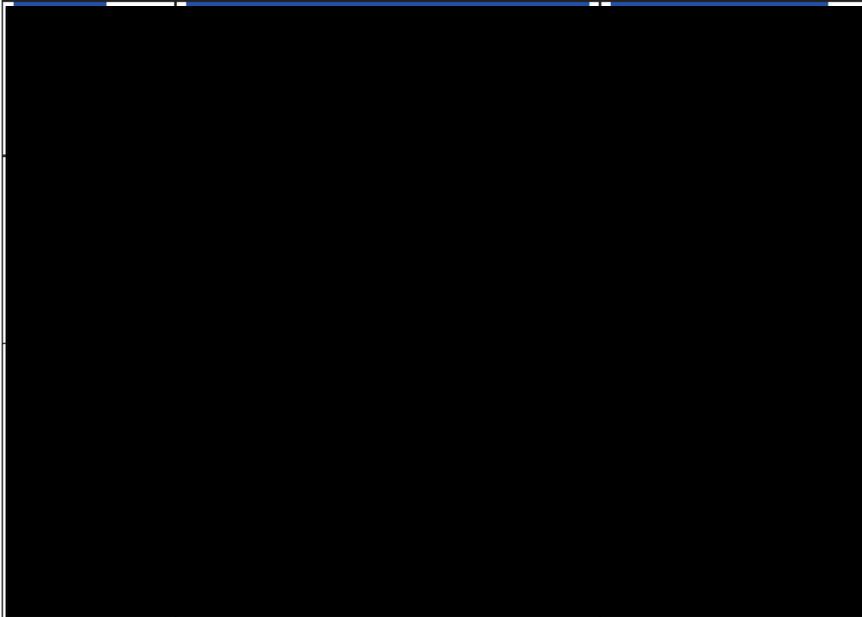
| Criticality level * | Criticality Description | Response time ** | Time to repair *** | Time to provide impact analysis for permanent fix **** | Time to send a permanent Fix ***** |
|---------------------|-------------------------|------------------|--------------------|--|------------------------------------|
| [Redacted Content]  |                         |                  |                    |  |                                    |

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[REDACTED]

1.4.2

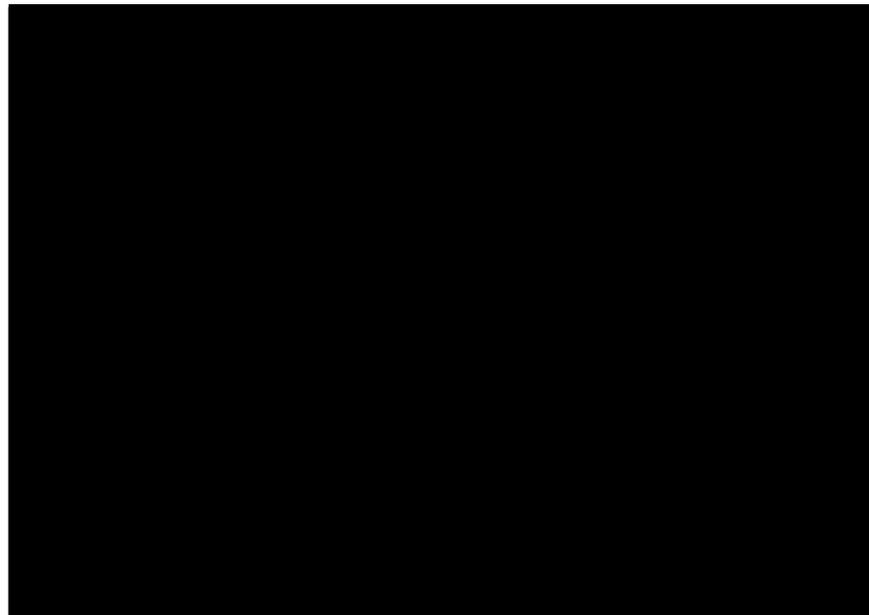
[Redacted]

| Criticality level  | Service Failure | Document update within****: |
|--|-----------------|-----------------------------|
|  |                 |                             |

1.4.9

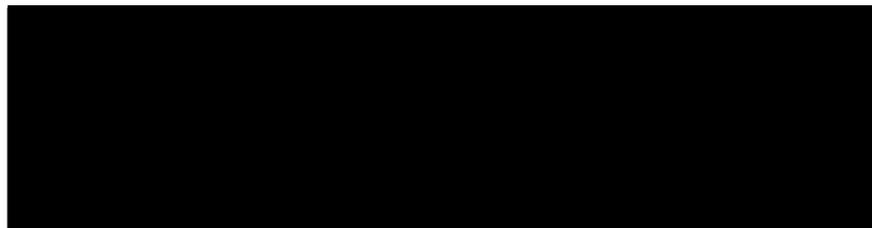
1.4.10

1.4.11



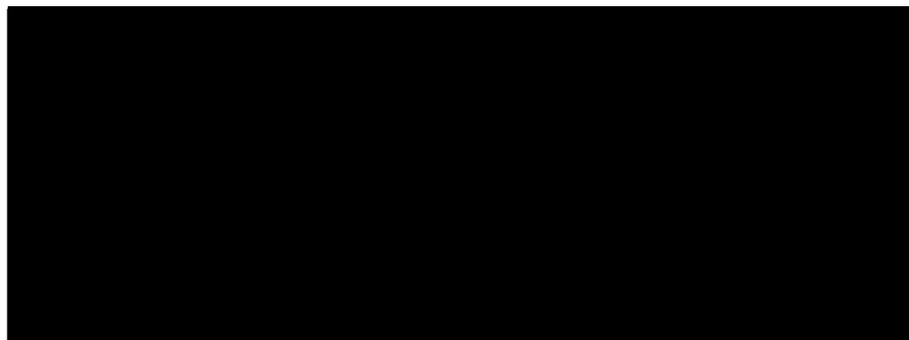
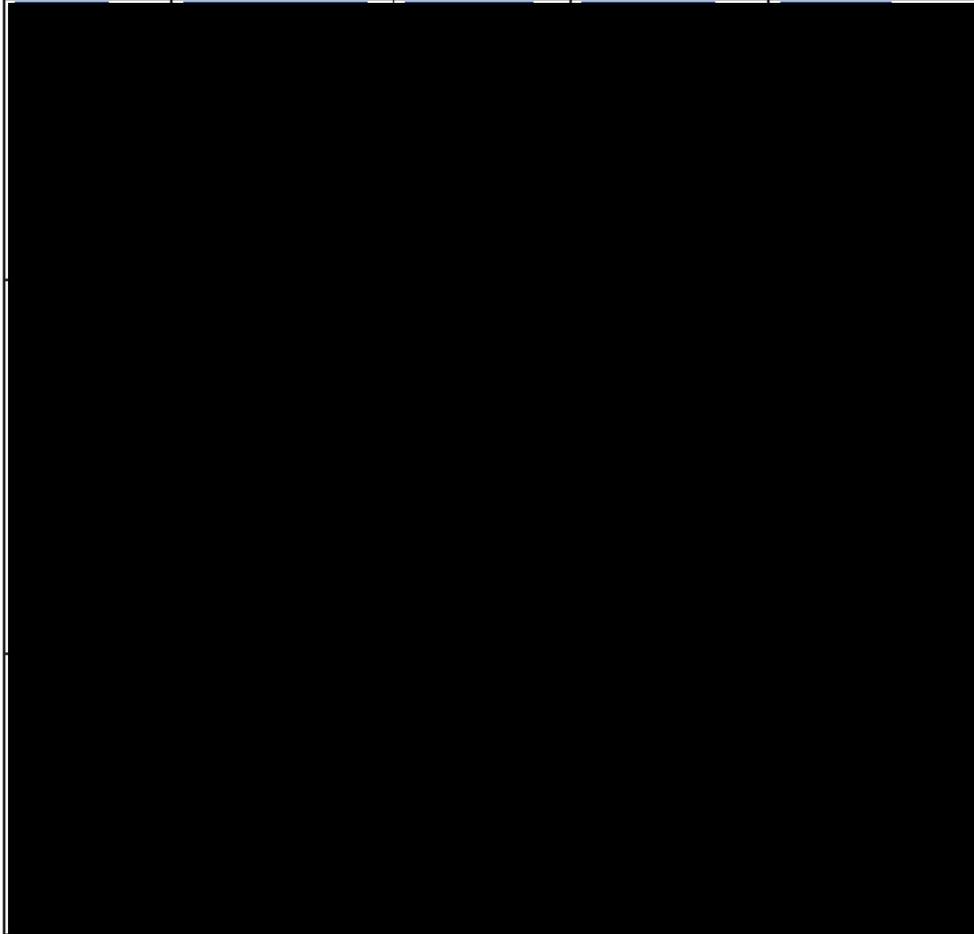
**1.5 Response Times – Test Environment**

1.5.1





| <b>Criticality level</b> | <b>Service Failure</b> | <b>Response time *</b> | <b>Time to provide impact analysis for permanent fix **</b> | <b>Time to send a permanent Fix ***</b> |
|--------------------------|------------------------|------------------------|---|---|
|--------------------------|------------------------|------------------------|---|---|





1.6 **Enquiries**



| Criticality level  | Time to answer the enquiry |
|--|----------------------------|
| A large black rectangular redaction covering the entire body of the table. |                            |



1.7 **Bespoke Developments**



[Redacted]

[Redacted]

**1.8 Software Updates**

1.8.1 [Redacted]

[Redacted]

[Redacted]

[Redacted]

**1.9 Acceptance Procedure for Fixes and Software Updates**

1.9.1 [Redacted]

[Redacted]

[Redacted]

**1.10 Non-reproducible Errors**

1.10.1

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**1.11 Issue Escalation**

1.11.1

[Redacted]

[Redacted]

[Redacted]

**1.12 Security cleared resources**

[Redacted]

**1.13 Supplier code attestation requirements**

[Redacted]

1.14 **Provisional of Financial Reports**



**ANNEX B**

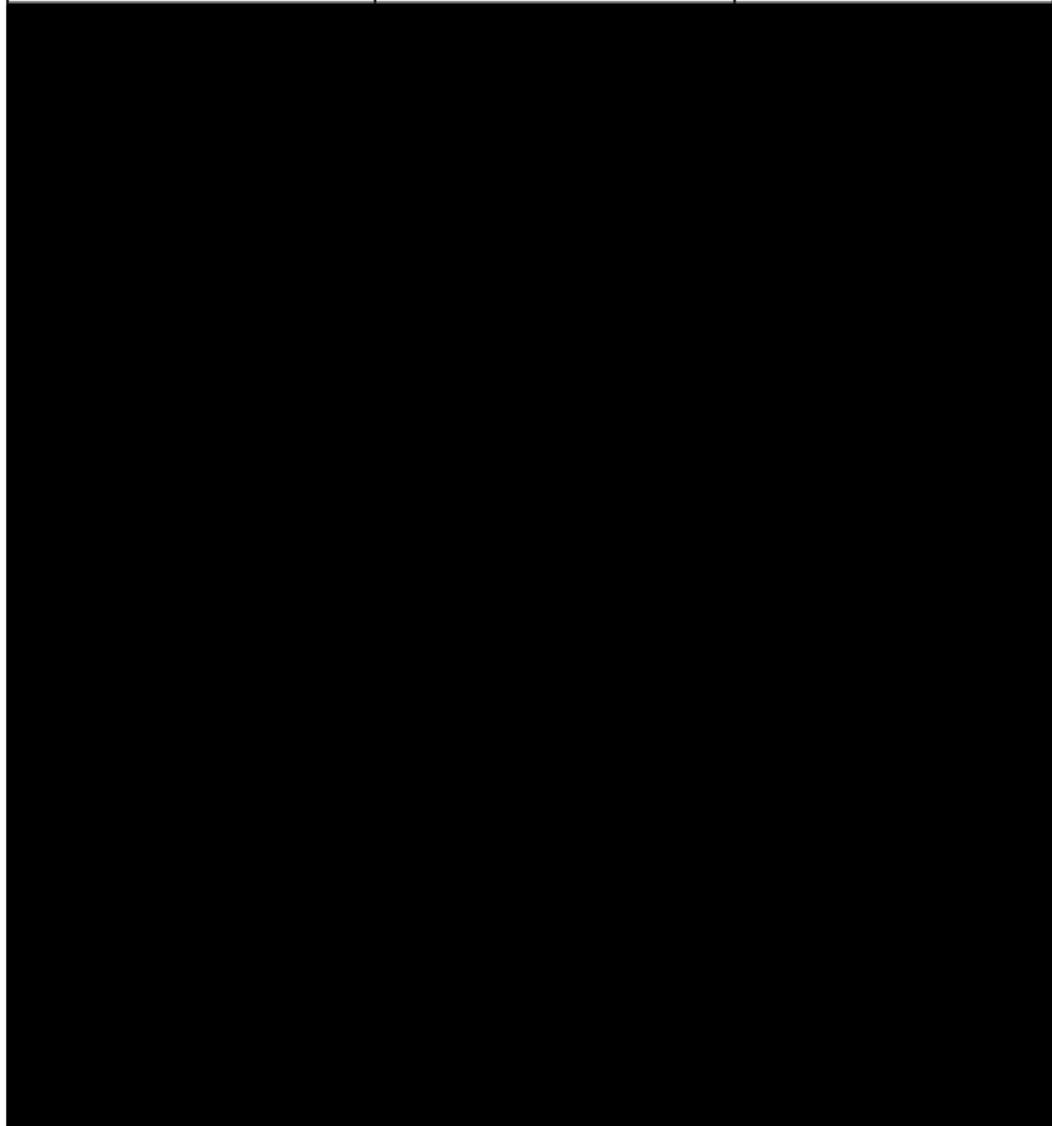
**KEY PERFORMANCE INDICATORS**

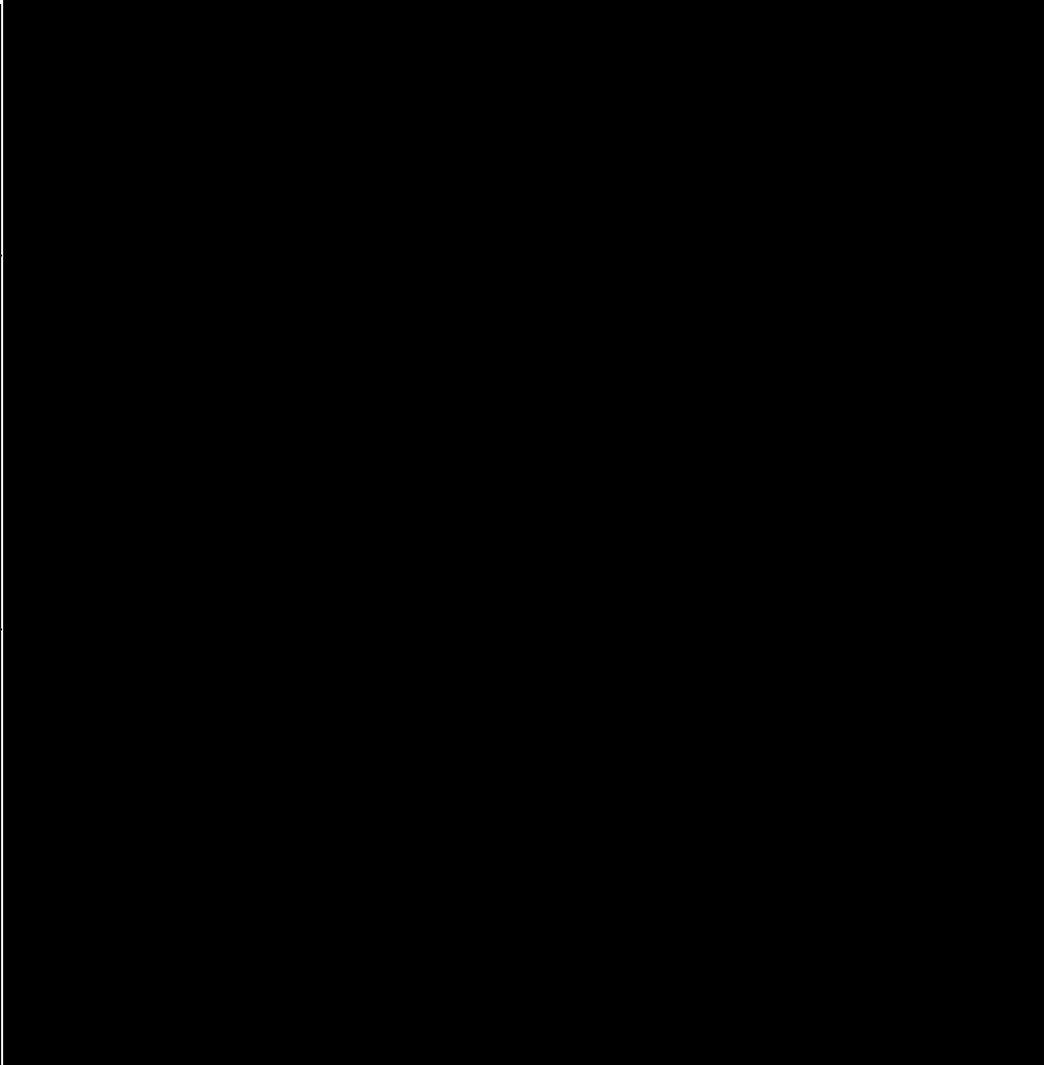
**1. MAINTENANCE SERVICES**

1.1



| KPI | Measured by | % of MC Charge at Risk |
|-----|-------------|------------------------|
|-----|-------------|------------------------|





## ANNEX C

### CRITICALITY DEFINITIONS

#### 1. CRITICALITY DEFINITIONS

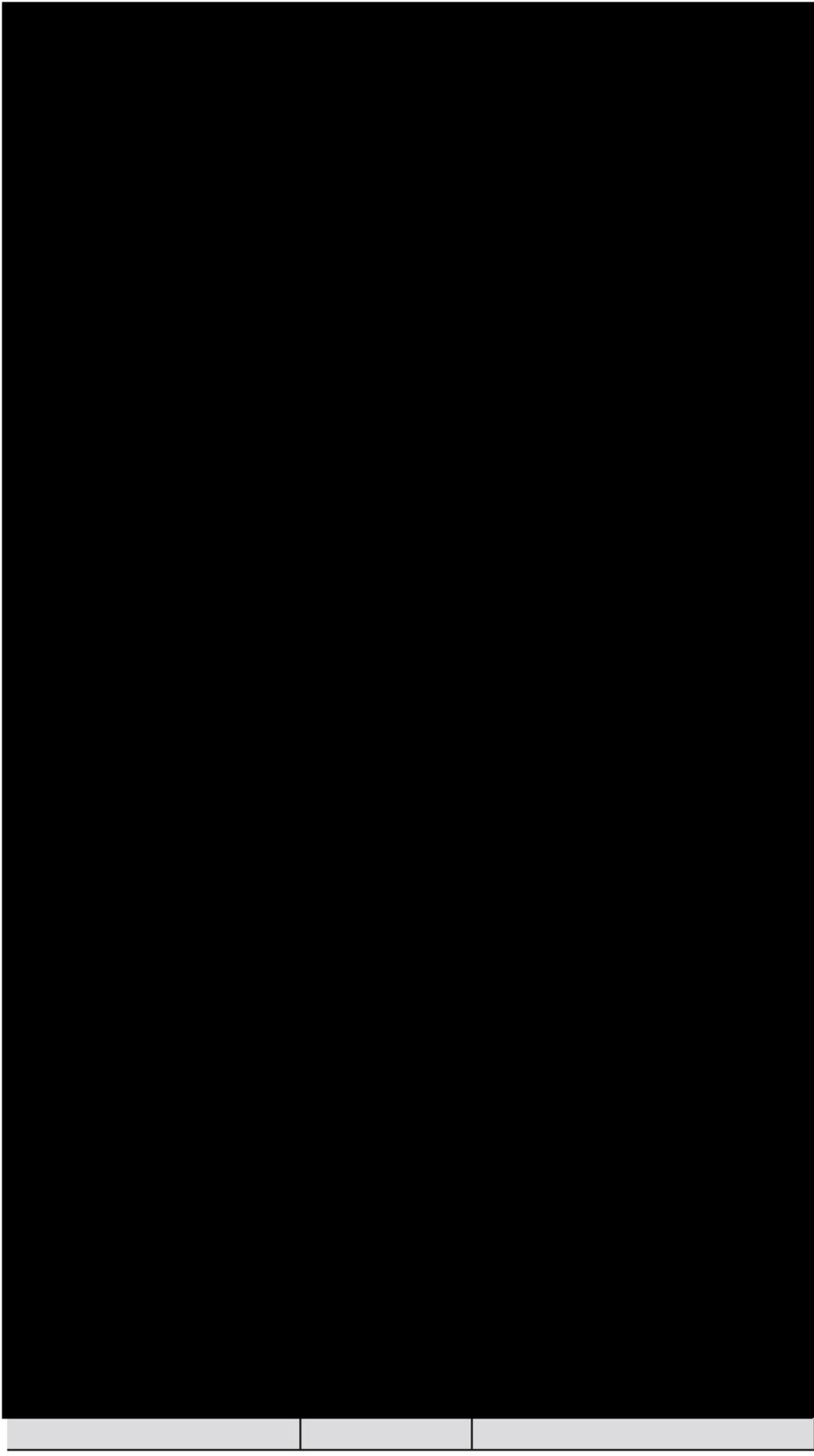
[REDACTED]

The following table highlights some of the factors that will be taken into account by the Bank when classifying an Incident. [REDACTED]

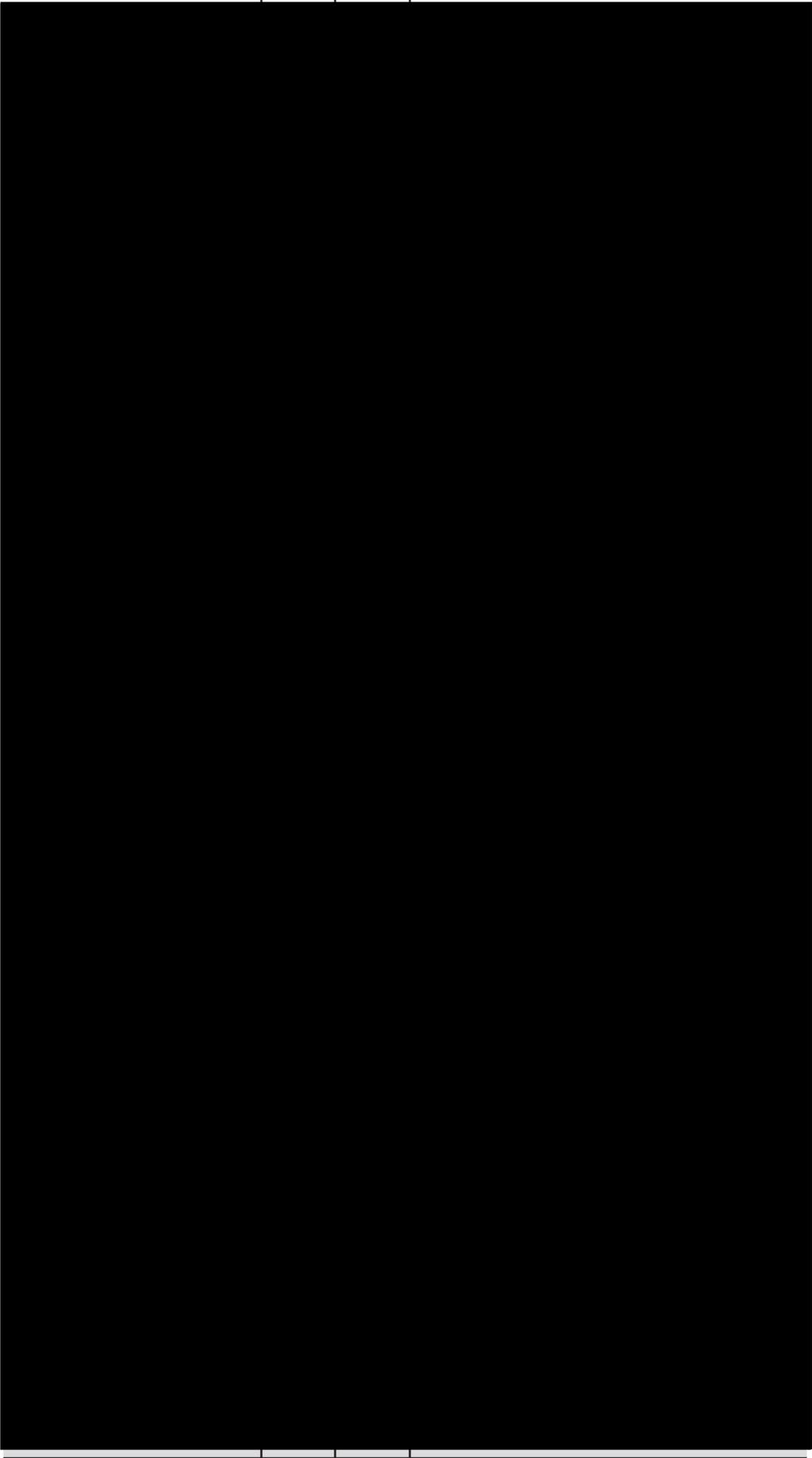
[REDACTED]

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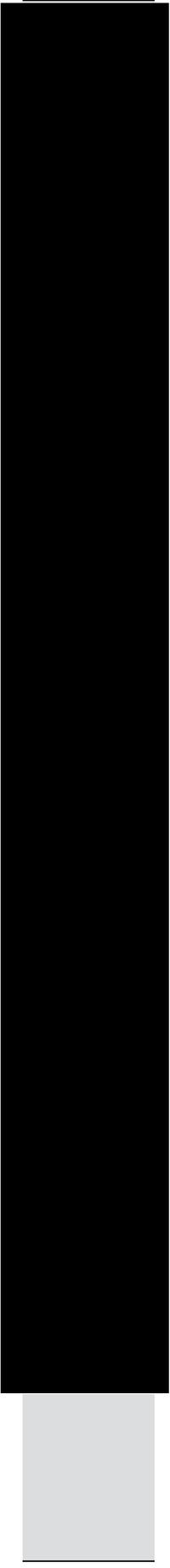
| Risk / Impact Criteria | Impact Rating        |                     |                  |                   |
|------------------------|----------------------|---------------------|------------------|-------------------|
|                        | [Critical] Extensive | [Major] Significant | [Minor] Moderate | [Comfort] Limited |
|                        |                      |                     |                  |                   |



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**ANNEX D**

**ADDITIONAL KEY PERFORMANCE INDICATORS**

- 1.1 During the provision of the Maintenance Services, the Bank shall also review the Contractor’s performance against the below additional key performance indicators (“**Additional KPIs**”).
- 1.2 These Additional KPIs shall be reviewed for reporting purposes only and shall not be used to assess any Retained Maintenance Charges pursuant to paragraph 2.2.4 of Schedule 3 (Charges).
- 1.3 The Bank shall publish the Contractor’s performance against the Additional KPIs on an annual basis in accordance with the requirements of the Procurement Act 2023, having given the Contractor reasonable prior notice and an opportunity to discuss its assessment.

|                  | <b>KPI 1</b>   | <b>KPI 2</b>  | <b>KPI 3</b>   |
|------------------|--|---|--|
| <b>Indicator</b> | Service level performance reporting  | Quarterly Review Meeting report   | Compliance with the Bank’s Security requirements   |
| <b>Target</b>    | Monthly performance reports (as defined in Schedule 5, paragraph 2 (Reporting) provided at least 3 working days ahead of the monthly Account Management meeting in accordance with Schedule 6, at least 91.6% of the time (measured over a rolling 12 month period). | Provision of the report to the Quarterly Review Meeting (as defined in Schedule 6, paragraph 4.2.2 (Quarterly Meeting) in advance of the meeting, 100% of the time. | Provision of ISO27001 Certification and maintaining the ISO27001 Certification for the duration of the Agreement to ensure compliance with the Bank’s security requirements. |

|                                       |  |  |  |
|---------------------------------------|--|--|--|
| <b>Frequency</b>                      | Monthly in accordance with paragraph 2 (Reporting) of Schedule 5 of the Agreement  | Quarterly in accordance with Schedule 6, paragraph 4.2.2 (Quarterly Meeting).  | Annually upon Bank request.  |
| <b>Method of measurement</b>          | Receipt of report by Bank evidenced by a delivery receipt email.   | Receipt of report by Bank evidenced by a delivery receipt email.   | Receipt of annual ISO27001 Certification   |
| <b>Consequences of non-compliance</b> | Escalation to the Contractor's Support Manager, and to the Bank's Primary Account Manager. Service performance also reviewed at the Quarterly Meeting. | Escalation to the Bank's Head of Central Banking Operations Division. Overall performance also reviewed at the Annual Executive Level Meeting. | Escalation to the Bank's Head of Central Banking Operations Division, and likely to the Bank's Chief Information Security Officer. Remedial action to be undertaken as required. |

## **SCHEDULE 6**

### **MONITORING AND GOVERNANCE**

#### **1. PURPOSE**

- 1.1 This Schedule 6 describes the principles and procedures by which the relationship between the Bank and the Contractor shall be governed in respect of this Agreement.
- 1.2 This Schedule 6 aims to deal with, in particular, how the parties will interact with one another on a day-to-day basis with a view to managing the implementation of the Agreement, including the delivery of the Services, maintaining a working relationship between the parties, maintaining a working relationship between the Bank, the Contractor, and the type, content and frequency of Agreement review meetings that shall be held.
- 1.3 Any changes to the governance structure (“**Governance**”) described herein shall only be made in accordance with paragraph A2.1 of Schedule 9 (Boilerplate Terms).
- 1.4 Each party will appoint individuals to the relevant roles described in this Schedule 6 and will ensure that those individuals comply with the roles and responsibilities described herein.
- 1.5 Where the Bank’s consent or approval is required as described in this Schedule 6, the Bank will use reasonable endeavours to ensure that the relevant Governance team members act within a reasonable timescale to ensure that the approval, consent or refusal is given in a timely manner.
- 1.6 For the avoidance of doubt, nothing in this Schedule 6 will oblige the Bank or Contractor to appoint individuals to work in the roles in paragraphs 3 and 4 of this Schedule 6 on a full time basis or to the exclusion of other work functions. Furthermore, neither the Bank nor the Contractor will be prohibited from appointing one person to one or more than one role set out in paragraphs 3 and 4 of this Schedule 6, unless this would mean that the same individual would appear more than once on the same escalation path.

#### **2. BANK RESPONSIBILITIES**

- 2.1 The Bank shall during the Term:
  - 2.1.1 provide in a timely manner all cooperation (including access to Bank personnel) and information reasonably requested by the Contractor in respect of the provision of the Services;
  - 2.1.2 ensure that all information provided to the Contractor in respect of the Services and the Bank System is accurate and complete in all material respects;
  - 2.1.3 staff its teams with sufficient, appropriately qualified personnel in order to comply with its obligations under this Agreement;
  - 2.1.4 test the System accurately and in a timely manner in accordance with the provisions of Schedule 8 (Change Control) or Schedule 12 (Development);

- 2.1.5 not unreasonably withhold or delay its agreement or approval where such agreement or approval is expressed to be required under Schedule 8 (Change Control) or Schedule 12 (Development);
- 2.1.6 not unreasonably withhold or delay its agreement (in writing) that entry or exit criteria have been met and, where such agreement is refused, promptly provide the reasons why it believes those exit or entry criteria have not been met;
- 2.1.7 carry out its testing obligations in a timely manner in order to allow compliance with agreed timelines;
- 2.1.8 provide all cooperation reasonably requested by the Contractor in performing the testing described in Schedule 8 (Change Control) or Schedule 12 (Development); and
- 2.1.9 for the avoidance of doubt, ensure that all Bank data is tested with the System in a test environment prior to its use in a Live Environment.

**PART A**

Not used.

## **PART B GOVERNANCE DURING MAINTENANCE SERVICES**

### **3. ROLES AND RESPONSIBILITIES OF KEY GOVERNANCE TEAM MEMBERS**

#### **3.1 Bank Roles**

##### **3.1.1 Primary Account Manager**

The Bank Primary Account Manager shall have primary responsibility for the management of this Agreement for the Bank. The responsibilities of the Bank Primary Account Manager shall include:

- 3.1.1.1 relationship management – maintaining and developing Contractor relationships at Contractor Support Manager and Contractor CEO level;
- 3.1.1.2 acting as a point of escalation for the Bank’s SLA Manager;
- 3.1.1.3 reviewing and approving (or declining) any Change Requests that may be required during the term;
- 3.1.1.4 approving (or declining) any action plans resulting from failures to provide Maintenance Services in accordance with the Service Levels;
- 3.1.1.5 attending the Account Management meeting from time to time and as required;

##### **3.1.2 SLA Manager**

The Bank’s SLA Manager shall be the single point of contact for the Contractor’s Account Manager throughout the Term of the Maintenance Services. The Bank SLA Manager will monitor provision of Maintenance Services and Service Levels under this Agreement, and implement escalation procedures as required. The responsibilities of the Bank SLA Manager shall include:

- 3.1.2.1 having a dialogue and working collaboratively with the Contractor’s Account Manager, in order to head off potential services breaches before they occur;
- 3.1.2.2 analysing the monthly Service Level reports from the Contractor, and verifying adherence to Service Levels;
- 3.1.2.3 implementing escalation procedures as required;
- 3.1.2.4 agreeing any action plans resulting from failures to provide Maintenance Services in accordance with the Service Levels;
- 3.1.2.5 managing any Change Requests that may be required during the term, such as additional support or consultancy, and developments;
- 3.1.2.6 managing the payment of Contractor invoices;

3.1.2.7 communicating planned absence in advance to the Contractor's Account Manager, and ensure that adequate cover is in place;

3.1.2.8 attending the Account Management meeting, and documenting the notes and actions;

### 3.2 Contractor Roles

#### 3.2.1 Account Manager

The Contractor's Account Manager shall have primary responsibility for the management of the Agreement for the Contractor and shall ensure the provision of the Services and all Agreement commitments.

The responsibilities of the Contractor's Account Manager shall include:

3.2.1.1 having a dialogue and working collaboratively with the Bank's SLA Manager, in order to head off potential services breaches before they occur;

3.2.1.2 ensuring all Service Levels are met;

3.2.1.3 assuring operational compliance with the Agreement and ensuring that the Contractor fulfils its obligations under this Agreement;

3.2.1.4 providing regular Service Level reports at least 3 Working Days before the monthly Account Management Meeting, containing detail and summary data on adherence to the Service Levels in Schedule 5 (Service Levels, Support & Maintenance); the reports should provide a clear representation of current service status and facilitate clear communication between the Supplier and the Bank;

3.2.1.5 ensuring prompt identification and resolution of escalated Contractor Service related issues;

3.2.1.6 implementing any action plans resulting from failures to provide the Maintenance Services in accordance with the Service Levels;

3.2.1.7 delivering Change Requests that may be commissioned during the term such as additional support or consultancy, and developments;

3.2.1.8 staffing and leading Contractor Personnel working in connection with the provision of services;

3.2.1.9 ensuring accuracy of Contractor invoices;

3.2.1.10 communicating planned absence in advance to the Contractor's Account Manager, and ensure that adequate cover is in place;

3.2.1.11 attending the Account Management meeting;

#### 3.2.2 Support Manager

The responsibilities of the Contractor's Support Manager shall include:

- 3.2.2.1 relationship management – maintaining and developing Contractor relationships at Bank Primary Account Manager level;
- 3.2.2.2 acting on, or escalating issues raised by the Contactor Account Manager, the Bank's Primary Account Manager or any other stakeholders;
- 3.2.2.3 attending the Account Management meeting from time to time and as required;

### 3.2.3 CEO

The responsibilities of the Contractor's CEO include:

- 3.2.3.1 ensuring that an appropriate level of support is given within the Contractor's organisation to ensure delivery of the Maintenance Services;
- 3.2.3.2 providing assurance that the Contractor remains focused on delivery of the Maintenance Services;
- 3.2.3.3 ensuring that adequate governance arrangements are in place within the Contractor's organisation to ensure delivery of the Maintenance Services;
- 3.2.3.4 acting as a point of escalation for the Contractor's Support Manager;
- 3.2.3.5 remaining informed of progress, key issues and risk-acting to keep the provision of the Maintenance Services on course.

## 4. Meeting Definitions

4.1 Not used.

4.2 During Maintenance Services

### 4.2.1 Account Management Meeting

A monthly meeting, ideally held on the 2nd Tuesday of each month, to review progress for the previous month, and agree action plans as required. The meeting can take place over a conference call, but a face-to-face meeting should take place at least once a quarter. The agenda will include: review Service Level report; incident or requests that need chasing; invoicing and payments; communication; and requirements for additional consultancy and/or development. The notes should be produced by the Bank Account Manager, and distributed no more than 3 Working Days after the meeting.

### 4.2.2 Quarterly Meeting

A quarterly meeting, ideally held in the last week of March, June, September, and December, to provide a platform to review performance in the previous quarter and better understand future needs, business challenges and strategic direction. The agenda will include roadmap and performance

delivery reviews. The Bank will complete a scorecard and provide this to the contractor in advance of the meeting. The Contractor will provide a report detailing: (i) progress against plan for all ‘in-flight’ changes; (ii) high-level details of adherence to all of the SLAs/KPIs in the previous quarter; and (iii) details on the future roadmap for Megara itself - potential upgrades, enhancements etc. The Contractor will provide this report to the Bank in advance of the meeting. The actions and minutes will be produced by the Bank, and distributed no more than 3 Working Days after the meeting. At a minimum, the attendees from the Bank will include the Head of Division for Central Banking Operations, and the attendees from the Contractor will include the UK Sales Director, and the Head of Professional Services and Client Support.

**4.3 Annual Service Review Meeting**

An annual service review meeting shall be held between the parties during the Term of this Agreement, ideally face-to-face at the end of each Financial Year to discuss the Services provided by the Contractor during that time. Intended as a collaborative meeting during which the overall status of the Services will be discussed, and any issues that could not be resolved during that Financial Year or by the Project Managers will be discussed and expedited.

**4.4 Annual Executive Level Meeting**

An annual executive level meeting will be held in March each year either in person or online. Agenda will be agreed between the Bank and the Contractor. Minimum attendees from the Bank will be Executive Director, Banking Services, and Chief Information Officer, and the minimum attendees from the Contractor will be Co-CEO, and Product Senior Vice President.

**5. PERFORMANCE MONITORING**

5.1 The Contractor shall adhere to the performance monitoring requirements detailed in Schedule 5 (Service Levels, Support & Maintenance).

**6. CHANGES TO THE GOVERNANCE STRUCTURE**

6.1 Before assigning or re-assigning an individual to any of the roles (other than the CEO or Support Manager) set out above, whether as an initial assignment or a subsequent assignment, the Contractor must follow the following procedure:

6.1.1 the Contractor must:

- 6.1.1.1 notify the Bank of the proposed assignment;
- 6.1.1.2 ensure the proposed individual meets all security clearance requirements of the Bank when relevant;
- 6.1.1.3 introduce the individual to appropriate Bank representatives (and, upon request, provide such representatives with the opportunity to interview the individual); and
- 6.1.1.4 provide the Bank with a curriculum vitae and any other information about the individual reasonably requested by the Bank, and

if the Bank objects to the proposed assignment (acting reasonably), the Contractor and the Bank will discuss in good faith how to resolve the Bank's concerns in a timely manner.

**7. ESCALATION & ISSUE RESOLUTION**

- 7.1 The parties will comply with the escalation procedure set out in Annex A of this Schedule 6 during the period of the provision of the Implementation Services and the escalation procedure set out in Annex B of this Schedule 6 during the provision of the Maintenance Services with respect to the resolution of all issues associated with these Services.
- 7.2 Any disputes that cannot be resolved after following the procedures set out in this Schedule 6 shall be referred to the Dispute Resolution Procedure.

**ANNEX A**

**Not Used.**

**ANNEX B**

**ESCALATION ROUTE DURING MAINTENANCE SERVICES**

| <b>Criticality</b> | <b>1</b>   | <b>2</b>  | <b>3</b>  | <b>4</b>   |
|--------------------|--|---|---|--|
|                    | by Response Time   | 4 hours after stated Response Time  | 24 hours after stated Response Time   | 48 hours after stated Response Time  |
| Critical           | Escalate to Contractor's Account Manager to discuss the Service Failures and recommend next steps. | Escalate to Contractor's Account Manager who shall prepare a detailed action plan for the Bank setting out recommended actions to resolve the Service Failures. | Escalate to Contractor's Support Manager to review the Service Failures. Contractor to send necessary resources to the Bank to enable the Contractor to fix the Service Failures. | Escalate to Contractor's CEO. The Contractor must immediately send the necessary resources to the Bank to fix the Service Failures.            |
| Major              |  |   | Escalate to Contractor's Support Manager. Contractor must review action plan with the Bank and amend if required by the Bank.   | Escalate to Contractor's Support Manager. The Contractor must send the necessary resources to the Bank's Premises to fix the Service Failures. |
| Minor              |  |   | Escalate to Support Manager to discuss the Service Failures.  |  |
| Comfort            |  |   |   |  |

EXECUTION VERSION

## SCHEDULE 7

### COMMERCIALLY SENSITIVE INFORMATION

The following information is deemed to be commercially sensitive information (as such term is defined by FOIA) by the Contractor:

**1. All financial information including:**

- Licence Fee;
- Man/day rates;
- Maintenance Charges.

**2. Business continuity and disaster recovery:**

- The Contractor's business continuity and disaster recovery details.

**3. References:**

- The names of Contractor's clients.

**4. Liability:**

- The liability for loss or damage under this Agreement.

**5. Indemnities:**

- The indemnities under this Agreement.
- The amount of indemnity insurance.

EXECUTION VERSION

**SCHEDULE 8**  
**CHANGE CONTROL**

**1 INTRODUCTION**

- 1.1 This Schedule 8 sets out the procedure that will apply to the classification, processing and approval or rejection of Changes during the Term of this Agreement.
- 1.2 It is the intention of the parties that the procedure for classification and processing Changes does not automatically give rise to a change in the Charges unless the classification of a Change is such that the Charge Review Procedure applies.
- 1.3 Change Requests can emanate from either party and will be documented as a Change Request in accordance with paragraph 5 below.
- 1.4 All changes to this Agreement will be managed using the Change Control Procedure.
- 1.5 The Contractor will record and track the progress of all Change Requests and report on their status as part of its standard reports to the Bank.

**2 IN SCOPE CHANGES**

- 2.1 In Scope Changes are:
  - 2.1.1 any Changes required to be implemented as a result of the testing and acceptance exercises carried out by the Contractor or the Bank in connection with the Services, and which fall within and are required to implement the scope of the Services defined during the scoping study and reproduced in Part 4 of Annex A of Schedule 2 (SOW) at the date of this Agreement; and
  - 2.1.2 any Changes that the Contractor would, in its usual course of business when dealing with other clients of similar stature to the Bank, carry out without charge,

(collectively, “**In Scope Changes**”).
- 2.2 In Scope Changes can be requested by the Bank and the parties will follow the procedures set out in this Schedule 8 to effect an In Scope Change provided that the Contractor shall not be entitled to make any increase in the Charges for In Scope Changes.

**3 NEW SERVICES**

- 3.1 In the event that the Bank requests the Contractor to provide a New Service either during the Implementation Services or the Maintenance Services phase of this Agreement and the Contractor agrees to provide such New Service (such agreement not to be unreasonably withheld or delayed), the Contractor and the Bank shall agree on the nature and scope of the New Service, including any service levels for performance (as may

EXECUTION VERSION

be applicable), the related charges, and appropriate amendments to the part(s) of this Agreement affected (if any).

3.2 The Contractor shall not be entitled to charge for the reasonable impact assessment carried out by the Contractor pursuant to paragraph 6.3 of this Schedule 8.

3.3 Once agreed by the parties, the New Service will be implemented as a Change to the scope of the Services (including any consequential changes required to any other part of this Agreement).

3.4 If the Bank's request for New Services includes a request for the Contractor to reduce or eliminate Services it is providing, then the Contractor will provide an impact analysis which shall consider the resources and expenses required to provide such New Services. The net increase or decrease in resources and expenses will be the basis on which the Contractor shall quote a new charge to the Bank for the New Services. For the avoidance of doubt, the elimination of a Service will not automatically lead to a decrease in the Charges and may on the contrary lead to an increase in the Charges. Any increase in the Charges must be substantiated in writing by the Contractor.

3.5 Notwithstanding the above, the Bank may elect to solicit bids from third parties for the New Service and may contract with a third party or elect to provide in-house resources to handle New Services.

**4 BESPOKE DEVELOPMENT CHANGES**

4.1 In the event that the Bank requests the Contractor to provide some Bespoke Development work in relation to the System, the Contractor agrees to provide such Bespoke Development (such agreement not to be unreasonably withheld or delayed), the Contractor and the Bank shall agree on the nature and scope of the Bespoke Development required, including any service levels for performance (as may be applicable), the related charges, and appropriate amendments to the part(s) of this Agreement affected (if any).

4.2 

4.3 Once agreed by the parties, the Bespoke Development work will be implemented as a Change to the scope of the Services (including any consequential changes required to any other part of this Agreement).

**5 CHANGE CLASSIFICATION**

**5.1 Assessment of the type of Change**

The assessment of a Change first requires the classification of the Change as either chargeable or non-chargeable, or as an In Scope Change, in order to establish whether such Change has the potential for an increase or a reduction to the Charges (as applicable), as described below. Note that a Change can represent a request by the Bank to remove or reduce functionality.

EXECUTION VERSION

5.1.1 Not all Changes that go through the Change Request Procedure are automatically chargeable. Only those Changes that may have an impact upon the Contractor's costs shall be made subject to the Charge Review Procedure set out in paragraph 5.3 below.

5.1.2 [Redacted]

[Redacted]

5.1.2.2 [Redacted]

[Redacted]

[Redacted]

5.2 **Administering the Change**

5.2.1 Subject to paragraphs 5.2.2 and 5.2.3, each party shall be responsible for their own costs incurred in the preparation and assessment of Change Requests, including the costs of any impact analysis.

5.2.2 [Redacted]

[Redacted]

[Redacted]

5.2.5 To simplify administration of Changes, Bespoke Developments and New Services during the provision of the Implementation Services, a Project Change Control Register will be maintained by the Bank's Project Manager during the Term of this Agreement. The running total of cost changes on the Project

EXECUTION VERSION

Change Control Register will be monitored at the Project Managers' Review Meetings and reported to the project Steering Group. Where the balance becomes significantly in favour of either party without likelihood of correction, action will be agreed at the Steering Group. For the avoidance of doubt, a decrease in scope in the Services may only lead to a decrease in cost in those Services if the work related to it did not commence.

**5.3 The Charge Review Procedure**

**5.3.1 Scope**

The Charge Review Procedure is the only process by which the Contractor may increase the Charges as a result of a Change except for:

- 5.3.1.1 New Services (which are dealt with in accordance with paragraph 3 above); and
- 5.3.1.2 Changes classified under paragraphs 5.1.2 and 5.1.3 above for which the Charge Review Procedure does not apply.

**5.3.2 Procedure**

5.3.2.1 Where the Contractor requires an increase in the Charges as a result of a Change, the following will be provided with the Change Request to justify the basis of the increase:

- 5.3.2.1.1 an initial analysis of the reasons why the Contractor believes its costs will be materially impacted by the Change and any applicable supporting documentation, including an analysis of any alternative solutions utilising existing Contractor resources;
- 5.3.2.1.2 details of proposed one-off charges and/or changes to the Charges based upon the above; and
- 5.3.2.1.3 any other relevant information, including information justifying any proposed one-off charges or changes to the Charges and any base data and charging assumptions reasonably required by the Bank to verify such proposed changes.

5.3.2.2 Where there is a decrease in the Charges, the Contractor shall detail the reduction, providing reasonable supporting documentation sufficient for the Bank to assess the proposed decrease.

## EXECUTION VERSION

**6 CHANGE REQUEST PROCEDURE**

This section 6 sets out the procedures to be followed to raise, request, record and agree Changes.

**6.1 Change Requests**

All Change Requests will be authorised by an authorised representative of the party that requests the Change, who will act as the Change Request sponsor throughout the Change Control Procedure, and who will complete Part A of the change control note found in Annex 1 to this Schedule 8 (the “**Change Control Note**”). In the case of the Contractor raising a Change Request, authorisation will be provided by the Contractor’s Project Manager or Account Manager, whereas for the Bank, the Project Manager or the Primary Account Manager will provide authorisation. Part B of the Change Control Note will be completed by the Contractor. Change Requests will be presented to the appropriate authorised representative of the other party who will acknowledge receipt of the Change Request. The parties will agree within five (5) Working Days the timescale for completion of each Change Request procedure set out below. Each single Change shall generate a single Change Request.

**6.2 The Contractor's Obligations**

Irrespective of which party raises the Change Request, for each Change Request, the Contractor shall assess the Change Request and complete Part B of the Change Control Note. The Contractor shall aim to complete Part B of the Change Control Note within ten (10) Working Days of the Change Request being raised, or following such other period as the parties may otherwise agree should the relevant Change Request require more time to complete given its complexity. In completing Part B of the Change Control Note, at a minimum the Contractor will provide:

- 6.2.1 a description of the Change and whether the Contractor considers that the Change is a New Service and should be dealt with in accordance with paragraph 3 above;
- 6.2.2 where the Charge Review Procedure is applicable, the information that is required by paragraph 5.3.2 above;
- 6.2.3 a list of deliverables required for implementing the Change;
- 6.2.4 a timetable for implementation;
- 6.2.5 an impact analysis (as more fully described in paragraph 6.3 below);
- 6.2.6 any relevant acceptance criteria;
- 6.2.7 the reasoning behind a Contractor’s proposed change (if applicable); and
- 6.2.8 proposed amendments to this Agreement, as required.

EXECUTION VERSION

**6.3 Impact Analysis**

- 6.3.1 The purpose of the impact analysis is to provide a context for a discussion around the approval and implementation of the proposed Change.
- 6.3.2 The impact analysis will consider the material effect of any proposed Change on any other existing Service provided under this Agreement. If the proposed Change has no such impact, a "no impact" statement will be made.
- 6.3.3 The impact analysis will consider the impact of the proposed Change with the following parameters taken into account as relevant to each particular Change:
  - 6.3.3.1 scope of this Agreement;
  - 6.3.3.2 whether the proposed Change is a New Service;
  - 6.3.3.3 the impact of the proposed Change on the System (for example, changes to functionality);
  - 6.3.3.4 pricing elements;
  - 6.3.3.5 migration dates;
  - 6.3.3.6 acceptance criteria;
  - 6.3.3.7 infrastructure requirements including new equipment and/or software;
  - 6.3.3.8 relevant third party agreements; and
  - 6.3.3.9 any other matter reasonably requested by the Bank at the time of the impact analysis or reasonably considered by the Contractor to be relevant.
- 6.3.4 The parties acknowledge that the list set out in paragraph 6.3.3 above is not an exhaustive list and that there may be more parameters to consider in the context of a particular Change and some of the parameters described may not be relevant to every Change.
- 6.3.5 The parameters set out in paragraph 6.3.3 should be considered in such a way to ensure that the impact analysis clearly shows the impact (if any) on the Charges, the Services and any other relevant matter covered by this Agreement. The resulting impact analysis will confirm the authority level required to authorise the Change.

**7 REVIEW AND APPROVAL**

- 7.1 Prior to the submission of the completed Change Control Note to the Bank's Project Manager or Primary Account Manager, the Contractor will undertake its own internal review of the proposal and obtain all necessary internal approvals. All proposed changes will be discussed between the

EXECUTION VERSION

respective teams to ascertain whether the proposal is indeed a change to scope. If agreement cannot be reached at Project Manager level during the provision of the Implementation Services, this will be escalated to the Steering Group. If agreement cannot be reached between the Primary Account Manager and Account Manager during the provision of the Maintenance Services, this will be escalated to the Support Manager.

7.2 The Bank will review the Change Control Note and, following such review may:

7.2.1 accept or reject the Change Control Note providing reasonable details of the reasons for rejection;

7.2.2 require the Contractor to resubmit the Change Control Note, providing reasonable details of the parts of the Change Control Note that do not meet with its approval;

7.2.3 request more information from the Contractor.

7.3 Where a Change Control Note does not meet with the Bank's approval, the parties will negotiate in good faith. Any failure to reach agreement will be referred to the Dispute Resolution Procedure provided that the Bank shall be entitled to reject any Change proposed by the Contractor in the event that any matter relating to such Change is not approved by the Bank.

7.4 Subject to paragraph 7.5 below, following an internal process of approval by the Bank and agreement between the parties, Part C of the Change Control Note will be signed by both parties.

7.5 No Change to any part of this Agreement can be implemented without the prior written consent of the parties. The Contractor shall not take any action or implement any decision which may have an adverse material effect on the Bank or which adversely affects the function or performance of, or decreases the resource efficiency of the Services, including implementing changes in technology equipment and software configuration without first obtaining the Bank's approval. If the Contractor proceeds with a Change without the Bank's prior written authorisation, such Change will be entirely at the Contractor's cost and risk (and may require the Contractor to undo the Change at its own expense and make good any delays or other costs incurred by the Bank).

7.6 A Change Control Note signed by both parties will constitute an amendment to this Agreement.

7.7 Subject to agreement by the parties on the price of a Change (where a Change is chargeable) the Contractor will not unreasonably withhold or delay its agreement to implement a Change requested by the Bank.

**8 CHANGE MANAGEMENT**

8.1 The Contractor will record and track the progress of all Change Requests and report the status of Change Requests as part of its standard reports to the Bank and on the Contractor's problem management help desk system which will be accessible to the Bank.

EXECUTION VERSION

**ANNEX 1**

**CHANGE CONTROL NOTE**

|  |              |  |  |
|--|--------------|--|--|
| <b>Change Request</b>  |              | <b>Change Request Number:</b>                      |  |
| <b>Part A: Initiation</b>  |              |  |  |
| Brief description:   |              |  |  |
| Originator:  |              | Contact number:                                    |  |
| Sponsor:   |              | Contact number:                                    |  |
| Date of initiation:  |              | Required by date:                                  |  |
| Severity category  |              | Priority category                                  |  |
|  |              | (1: critical;<br>2: high;<br>3: medium;<br>4: low) |  |
| <b>Details of Proposed Change</b>  |              |  |  |
| (Include a description of the problem or other reason for change, and appropriate details/specifications. Identify any attachments as A1, A2, A3, etc) |              |  |  |
|  |              |  |  |
| <b>Authorised by the Originator:</b>   | <b>Date:</b> |  |  |
| <b>Name:</b>   |              |  |  |
| <b>Signature:</b>  |              |  |  |
| <b>Received by the Other Party:</b>  | <b>Date:</b> |  |  |
| <b>Name:</b>   |              |  |  |
| <b>Signature:</b>  |              |  |  |
| <b>Change Request:</b>   |              | <b>Change Request Number:</b>                      |  |
| <b>Part B: Evaluation</b>  |              |  |  |
| (Identify any attachments as B1, B2, B3, etc)  |              |  |  |

EXECUTION VERSION

|  |                               |
|--|-------------------------------|
| Changes to Services, terms of this Agreement, personnel to be provided, charging structure, payment profile, documentation, training and any other contractual issue.  |                               |
| <b>Description of Change:</b>  |                               |
| <b>Impact:</b><br>(Refer to any impact analysis attachment where applicable)   |                               |
| <b>Deliverables:</b>   |                               |
| <b>Timetable:</b>  |                               |
| <b>Charges for Implementation:</b><br><br>(Include a schedule of payments if not managed as part of the Project Change Control Register. If not applicable, mark "Not Applicable")<br><br>Charges for maintenance: |                               |
| <b>Other Relevant Information:</b><br><br>(Include suggested acceptance criteria and release/deployment plans if appropriate)  |                               |
| <b>Authorised by the Contractor:</b>   | <b>Date:</b>                  |
| <b>Name:</b>   |                               |
| <b>Signature:</b>  |                               |
| <b>Change Request</b>  | <b>Change Request Number:</b> |
| <b>Part C: Authority to Proceed</b>  |                               |
| Implementation of this Change Request as submitted in Part A, in accordance with Part B, is:<br><br>(tick as appropriate)  |                               |
| <b>Approved</b>  |                               |

EXECUTION VERSION

|   |                           |
|---|---------------------------|
| or<br><br><b>Rejected</b><br><br>or<br><br><b>Requires Further Information</b> (as follows, as Attachment 1, etc) |                           |
| <b>For the Bank</b>   | <b>For the Contractor</b> |
| Signature   | Signature                 |
| Name  | Name                      |
| Title   | Title                     |
| Date  | Date                      |

## SCHEDULE 9

### BOILERPLATE TERMS

#### A1 PROTECTION OF INFORMATION

##### A1.1 Confidentiality

A1.1.1 Except to the extent set out in this Clause or where disclosure is expressly permitted elsewhere in this Agreement, each party shall:

A1.1.1.1 treat the other party's Confidential Information as confidential and safeguard it accordingly; and

A1.1.1.2 not disclose the other party's Confidential Information to any other person without the owner's prior written consent.

A1.1.2 Clause A1.1.1 shall not apply to the extent that:

A1.1.2.1 such disclosure is a requirement of Law placed upon the Disclosing Party, including any requirements for disclosure under the FOIA, or the Environmental Information Regulations pursuant to Clause A1.3 (Freedom of Information), or under the Procurement Act 2023;

A1.1.2.2 such information was in the possession of the party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;

A1.1.2.3 such information was obtained from a third party without obligation of confidentiality;

A1.1.2.4 such information was already in the public domain at the time of disclosure otherwise than by a breach of this Agreement; or

A1.1.2.5 it is independently developed without access to the other party's Confidential Information.

A1.1.3 The Contractor may only disclose the Bank's Confidential Information to the Personnel who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Personnel are aware of and shall comply with these obligations as to confidentiality.

A1.1.4 Each party shall not, and shall procure that the Personnel (in this Clause the definition of "Personnel" shall be applicable to the Bank or the Contractor as the case may be) do not, use any of the other party's Confidential Information received otherwise than for the purposes of this Agreement.

A1.1.5 Other than with the Bank's prior consent either on a case-by-case basis or as set out in this Agreement, the Contractor shall not (except

as may be required by Law or in order to instruct professional advisers in connection with this Agreement):

- A1.1.5.1 disclose or permit disclosure of any details of this Agreement to the news media or any third party other than sub-contractors;
  - A1.1.5.2 disclose that the Bank is a Bank or client of the Contractor; or
  - A1.1.5.3 use the Bank's name and or brand in any promotion or marketing or announcement of orders.
- A1.1.6 Where it is considered necessary in the opinion of the Disclosing Party, the Receiving Party shall ensure that its Personnel sign a confidentiality undertaking before commencing work in connection with this Agreement.
- A1.1.7 The Receiving Party shall deliver up any Confidential Information belonging to the Disclosing Party, including all copies, immediately upon the termination or expiry of this Agreement (or at any earlier time on demand).
- A1.1.8 The Receiving Party shall immediately inform the Disclosing Party if it becomes aware of the possession, use or knowledge of any of the Confidential Information by any unauthorised person, whether during or after the Term and shall provide such reasonable assistance as is required by the Disclosing Party to deal with such event.
- A1.1.9 Nothing in this Clause shall prevent:
- A1.1.9.1 the parties disclosing any Confidential Information for the purpose of:
    - (i) the examination and certification of the parties' accounts; or
    - (ii) any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Bank has used its resources, or
  - A1.1.9.2 the Bank disclosing any Confidential Information obtained from the Contractor:
    - (i) to any government department or any other contracting authority. All government departments or contracting authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments or other contracting authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of

any government department or any contracting authority; or

A1.1.9.3 the parties disclosing any Confidential Information obtained from the other party:

- (i) to any person engaged in providing any services to the relevant party for any purpose relating to or ancillary to this Agreement,

provided that in disclosing information under subparagraph A1.1.9.3(i) the Receiving Party discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

A1.1.10 Nothing in this Clause A1.1 shall prevent either party from using any techniques, ideas or know-how gained during the performance of this Agreement in the course of its normal business to the extent that this use does not result in a disclosure of the other party's Confidential Information or an infringement of Intellectual Property Rights.

A1.1.11 Notwithstanding any other Clause in this Agreement, the Disclosing Party will be entitled to seek equitable relief to protect its interests in any Confidential Information which the Receiving Party discloses or attempts to disclose, including but not limited to preliminary and permanent injunctive relief. Nothing in this Clause A1.1.11 will be construed to limit any other remedies available to the parties.

A1.1.12 The obligations in this Clause in respect of Confidential Information shall continue in force without limit in time and shall survive the termination of this Agreement. If at any time after a period of five (5) years following termination of this Agreement, the Receiving Party does not wish to retain the Disclosing Party's Confidential Information it may inform the Disclosing Party who in their sole opinion may request the Receiving Party return or destroy to the Disclosing Party's satisfaction, all such Confidential Information. The obligations in this Clause in respect of the Contractor's Confidential Information shall continue for two (2) years following the termination of this Agreement.

## **A1.2 Data Protection**

A1.2.1 For the purpose of this paragraph A.1.2 "**controller**", "**processor**", "**joint controller**", "**data subject**", "**personal data**" and "**processing**" shall have the meanings ascribed to them in the UK GDPR.

**A.1.2.2** In respect of business data such surname, forename, business telephone number and business email address of the Parties' members of staff involved in performance of the Agreement, each party agrees that it will be an independent controller of such personal data and shall only process such personal data to the extent necessary to perform its obligations under the Agreements or duly

observe all its obligations under the Data Protection Legislation which arise in connection with this Agreement.

### **Processor Terms**

A.1.2.3 The Parties hereby acknowledge and agree that commencing from the Effective Date and for six (6) months thereafter unless otherwise agreed by the Parties (the “Processing Term”), the Parties agree that the Contractor shall be processing personal data on behalf of the Bank.

The Bank hereby undertakes that, by the end of the Processing Term, it will have in place a process whereby the personal information contained in a data set gathered from an individual or group has been extracted in such a way as to irreversibly remove any link enabling this individual or group to be identified.

Until the end of the Processing Term, in relation to the processing described in Schedule 13, Appendix 1, the parties agree that the Bank is the controller and that the Contractor is the processor.

A.1.2.4 For the avoidance of doubt, nothing within this paragraph relieves the Contractor of its obligations and direct responsibilities as a processor pursuant to the Data Protection Legislation.

A.1.2.5 The Bank engages the Contractor during the Processing Term to process personal data to the extent necessary for the purpose of delivering the Services required under this Agreement as described in Schedule 13, Appendix 1.

A.1.2.6 In relation to processing where the Contractor is a processor pursuant to paragraph A.1.2.3, the Contractor agrees that it will immediately inform the Bank if at any time it has cause to believe that the Bank’s instructions infringe the Data Protection Legislation.

A.1.2.7 Notwithstanding anything to the contrary in this Agreement, with respect to the parties’ rights and obligations under this Agreement, in relation to processing where the Contractor is a processor pursuant to paragraph A.1.2.3, the Contractor agrees that it shall:

#### ***Acting on instructions***

A.1.2.7.1 only process the personal data on the Bank’s documented instructions issued from time to time (for these purposes, the Bank instructs the Contractor to only process personal data to the extent, and in such manner, as is necessary for the provision of the Services and in accordance with Schedule 13, Appendix 1 and may issue further documented instructions of a specific or general nature to the Contractor during the Term), unless otherwise required by UK law to which the Contractor is subject; in such a case, the Contractor shall inform the Bank of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest;

***Maintaining technical and organisational security measures***

- A.1.2.7.2 taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of the processing as well as the risk of varying likelihood and severity for the rights and freedoms of the data subjects, implement appropriate technical and organisational measures including, as a minimum, those described in Schedule 13, Appendix 3 to protect personal data against unauthorised or unlawful processing and accidental destruction or loss and ensure the protection of the rights of the data subject, in such a manner that processing will meet the requirements of the Data Protection Legislation;
- A.1.2.7.3 at no additional cost assist the Bank in its obligations under Articles 32, 33 and 34 of the UK GDPR taking into account the nature of processing and the information available to the Contractor;

***Data protection impact assessments***

- A.1.2.7.4 at no additional cost, no more than once per year assist the Bank in carrying out data protection impact assessments, taking into account the nature of processing and the information available to the Contractor;
- A.1.2.7.5 at no additional cost, provide the Bank with such assistance as the Bank may require in order to consult the Information Commissioner in connection with a data protection impact assessment prepared pursuant to paragraph A.1.2.7.4, taking into account the nature of processing and the information available to the Contractor;

***Engagement of sub-processors***

- A.1.2.7.6 not engage another processor, except the Contractor's subcontractors Vermeg Systems Ltd, and Vermeg Management LTD, listed in the appendix attached herein, without the prior written consent of the Bank, and where general consent rather than specific consent has been obtained, shall inform the Bank of any intended changes concerning the appointment or replacement of other processors, giving the Bank reasonable opportunity to consider and object to such changes;
- A.1.2.7.7 ensure there is a contract in place with its sub-processors(s) (where prior written consent for such sub-processing has been provided by the Bank) including provisions which are, in substance, the same as those in this paragraph A.1.2 as applicable to the Contractor as a processor (and the Contractor shall remain fully liable to the Bank for the performance of the sub-processor's obligations);

***Industry best practice***

- A.1.2.7.8 use its best efforts to keep up to date with relevant industry developments and Good Industry Practice and use reasonable endeavours to advise, in the light of new technology and methods of working, if the Bank should consider revising the processes (including security measures) applied to personal data;

***Personnel requirements***

- A.1.2.7.9 take reasonable steps to ensure the reliability of the Personnel who have access to the personal data;
- A.1.2.7.10 ensure and procure that all Personnel store or process personal data provided by the Bank or acquired by the Contractor or the Personnel during the Term in accordance with the data protection principles as set out in the Data Protection Legislation;
- A.1.2.7.11 ensure that all Personnel required to access the personal data are informed of the confidential nature of the personal data, and have committed themselves to such confidentiality and comply with the obligations set out in this paragraph A.1.2 as applicable to the Contractor as a processor;

***Requests for information***

- A.1.2.7.12 promptly refer to the Bank any requests, notices or other communication from data subjects, the Information Commissioner or any other law enforcement authority, for the Bank to resolve;
- A.1.2.7.13 in no event respond directly to any request, notice or other communication identified in paragraph A.1.2.7.12 unless expressly authorised in writing by the Bank to do so;

***Data subject rights***

- A.1.2.7.14 at no additional cost provide such information to the Bank as the Bank may reasonably require, and within the timescales reasonably specified by the Bank, and taking into account the nature of the processing, provide assistance by appropriate technical and organisational measures, insofar as this is possible, to allow the Bank to comply with the rights of data subjects, including but not limited to subject access rights, or with notices served by the Information Commissioner;

***Personal data breach***

- A.1.2.7.15 notify the Bank without undue delay after becoming aware of a personal data breach and at no additional cost

provide the Bank with a detailed description of the personal data breach including:

the likely impact of the personal data breach;

the categories and approximate number of data subjects affected and their country of residence and the categories and approximate number of records affected;

and the risk posed by the personal data breach to data subjects; and

the measures taken or proposed to be taken by the Contractor to address the personal data breach and to mitigate its adverse effects,

and provide timely updates to this information and any other information the Bank may reasonably request relating to the personal data breach;

A.1.2.7.16 not release or publish any filing, communication, notice, press release, or report concerning the personal data breach without the Bank's prior written approval (except where required to do so by law);

A.1.2.7.17 at no additional cost, provide all assistance necessary to enable the Bank to fulfil its obligations to notify the Information Commissioner or other relevant authorities and/or to communicate the personal data breach to the data subjects;

A.1.2.7.18 in connection with paragraph A.1.2.7.15, not contact data subjects or the Information Commissioner directly in the event of a personal data breach unless expressly authorised in writing by the Bank to do so;

### ***Audit***

A.1.2.7.19 at no additional cost, keep or cause to be kept full and accurate records and logs relating to all processing of personal data on behalf of the Bank, including: (i) details of any relevant data protection officers; (ii) the details of sub-processors; (iii) the categories of processing carried out; and (iv) details of any transfers to third countries. At no additional cost provided that the audits do not exceed two man-days, upon reasonable notice, no less than 15 days if the audits are carried out by the Bank or its external auditors, allow the Bank and its respective auditors or authorised agents to conduct audits or inspections during the term of the Agreement which will include providing access to the aforementioned records and logs and premises, materials, resources and personnel of Contractor and the Contractor's sub-processors used in connection with the provision of the Services, and provide all reasonable assistance in order to

assist the Bank in exercising its audit rights under this paragraph. The purposes of an audit pursuant to this paragraph include assessing whether the Contractor has complied with the provisions of paragraph A.1.2 as applicable to the Contractor as a processor and the obligations set out in the Data Protection Legislation. To the extent required by the applicable laws, The Contractor's obligations under this paragraph A.1.2.7.19 shall continue notwithstanding termination or expiry of this Agreement;

### ***Material change in processing***

A.1.2.7.20 notify the Bank prior to any change to its business that could materially adversely affect the manner in which personal data will be processed, including but not limited to: (i) a potential merger, demerger or acquisition provided that in such event, the Contractor shall notify the Bank within six months of the occurrence of the said event; or (ii) a change to the jurisdiction in which the personal data will be stored, backed-up or otherwise accessed, giving the Bank reasonable opportunity to consider and object to such changes;

### ***Return or deletion***

A.1.2.7.21 any personal data processed by the Contractor under the Old Agreement shall be deleted as soon as reasonably practical and in any event by no later than the end of the Processing Term;

A.1.2.7.22 periodically, on the request of the Bank, following the conclusion of the relevant task for which the personal data is processed by the Contractor, the Contractor shall delete the files containing the personal data from its systems; and

A.1.2.7.23 at the end of the Processing Term the Contractor shall delete all personal data to the Bank and delete any copies of such personal data except where required to retain any copies by UK Law.

## **A1.3 Freedom of Information**

A1.3.1 The Contractor acknowledges that the Bank is subject to the requirements of the FOIA and the Environmental Information Regulations and shall assist and cooperate with the Bank to enable the Bank to comply with its Information disclosure obligations.

A1.3.2 The Contractor shall (and shall procure that its sub contractors shall):

A1.3.2.1 transfer to the Bank all Requests for Information that it receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;

- A1.3.2.2 provide all necessary assistance as reasonably requested by the Bank to enable the Bank to respond to a Request for Information within the time for compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.
- A1.3.3 The Bank shall be responsible for determining, in its absolute discretion, and notwithstanding any other provision in this Agreement or any other agreement whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations.
- A1.3.4 In no event shall the Contractor respond directly to a Request for Information unless expressly authorised in writing to do so by the Bank.
- A1.3.5 The Contractor acknowledges that (notwithstanding the provisions of this Clause A1.3) the Bank may acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of FOIA (the "**Code**"), be obliged under the FOIA or the Environmental Information Regulations to disclose information concerning the Contractor:
- A1.3.5.1 in certain circumstances without consulting the Contractor; or
- A1.3.5.2 following consultation with the Contractor and having taken their views into account, provided always that where this Clause applies the Bank shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Contractor advanced notice, or failing that, to draw the disclosure to the Contractor's attention after such disclosure.
- A1.3.6 The Contractor shall ensure that all Information is retained for disclosure and shall permit the Bank to inspect such records as requested from time to time.
- A1.3.7 The Contractor acknowledges that any lists or schedules provided by it outlining Commercially Sensitive Information are of indicative value only and that the Bank may be obliged to disclose it in accordance with this Clause.

#### **A1.4 Publicity and Branding**

- A1.4.1 The Contractor shall not, without the prior written consent of the Bank:
- A1.4.1.1 make any press announcements or publicise this Agreement or its contents or the fact that the Contractor is providing Services to the Bank in any way; or

- A1.4.1.2 use the Bank's name or brand in any promotion or marketing or announcement of orders.
- A1.4.2 The Contractor shall take all reasonable steps to ensure that all of its staff comply with the provisions of this Clause A1.4.
- A1.4.3 Each party acknowledges to the other that nothing in this Agreement either expressly or by implication constitutes an endorsement of any products or services of the other party (including the Services) and each party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.
- A1.4.4 This Clause shall remain in force notwithstanding termination or expiry of this Agreement.

## **A1.5 Security**

- A1.5.1 Access to the Premises and/or Bank Systems if the access to Bank Systems is priorly agreed by the Parties, shall not be exclusive to the Contractor but shall be limited to such Personnel as are necessary to the performance of the Services concurrently with the execution of work by others. The Contractor shall co-operate with such security requirements as set out in Schedule 10.
- A1.5.2 The Contractor shall comply with all security requirements of the Bank as set out in Schedule 10 (Environments and Data Security Requirements), together with all other Policies, regulations and requirements as may be in force from time to time while on the Premises, when accessing or using the Bank's systems and information and/or at all times during its performance of its obligations under this Agreement, and shall procure that all of such Personnel that have access to the Premises, Bank's systems if the access to Bank Systems is priorly agreed by the Parties, and/or Bank Classified Information shall likewise comply with such requirements. All such activity will be subject to general monitoring by the Bank's security department. The Contractor shall if requested sign and abide by the Bank's Declaration of Secrecy.
- A1.5.3 If and when directed by the Bank, the Contractor shall provide a list of the names and business addresses of all persons who it is expected may require admission to the Premises in connection with the performance of this Agreement, specifying the capacities in which they are concerned with this Agreement and giving such other particulars as the Bank may reasonably require. Failure by the Contractor to comply with the provisions of this Clause A1.5.3 within a reasonable time of written notice to do so will entitle the Bank to refuse admission to its Premises to any Personnel who has not been notified to the Bank in accordance therewith and will allow the Bank to terminate this Agreement.
- A1.5.4 The Bank reserves the absolute right at any time with respect to any Personnel:
  - A1.5.4.1 to refuse admission of any Personnel to any Premises over which the Bank has control, and/or

A1.5.4.2 to remove Personnel from any Premises over which the Bank has control, and/or

A1.5.4.3 not to grant or revoke/ remove access to Bank's Systems and/or information, and/or

A.1.5.4.4 to direct the Contractor to end the involvement in the provision of the Services by any of the Personnel whom the Bank believes does not have the required levels of training and expertise or represents a security risk or where the Bank has other grounds for doing so.

The decision of the Bank shall be final and it shall not be obliged to provide any reasons.

#### **A1.6 Official Secrets Act and Finance Act 1989**

A1.6.1 The Contractor shall comply with the Official Secrets Acts 1911 to 1989 and S182 of the Finance Act 1989 in connection with the performance of this Agreement and shall take all reasonable steps to ensure such compliance by its Personnel. In particular, and without prejudice to the generality of the foregoing, the Contractor shall take all reasonable steps to ensure that all persons engaged in any work in connection with this Agreement have notice that these statutory provisions apply to them and will continue to do so after the expiry or termination of this Agreement.

A1.6.2 Notwithstanding the generality of Clause A1.6.1, the provisions of Clause A1.1 shall operate without prejudice to and be read subject to the application of the Official Secrets Acts 1911 to 1989.

#### **A1.7 Business Continuity and Disaster Recovery**

A1.7.1 The parties will comply with the provisions of Schedule 11 (Business Continuity).

#### **A1.8 Bank Data**

A1.8.1 All Intellectual Property Rights in the Bank Data shall vest in the Bank or its licensors.

A1.8.2 The Contractor shall take all reasonable precautions as necessary to preserve the integrity of any Bank Data and to prevent any corruption, loss or unauthorised disclosure of the Bank Data but, for the avoidance of doubt, it is agreed that the Contractor will not be required to process any live Bank Data.

A.1.8.3 The Contractor shall not delete or remove any proprietary notice contained within or relating to the Bank Data.

A.1.8.4 Subject to Clause A1.1, the Contractor shall not store, copy, disclose, or use the Bank Data except as necessary for the performance by the Contractor of its obligations under this Agreement or as otherwise expressly authorised in writing by the Bank.

- A.1.8.5 To the extent that Bank Data is held and/or processed by the Contractor, the Contractor shall supply data to the Bank as requested by the Bank in the format specified in Schedule 2 (SOW).
- A.1.8.6 The Contractor shall ensure that any system on which the Contractor holds any Bank Data, including back-up data, is a secure system that complies with the requirements in Schedule 10 (Environments and Data Security Requirements).
- A.1.8.7 If the Bank Data is corrupted, lost or sufficiently degraded as a result of the Contractor's Default so as to be unusable, the Bank may:
- A.1.8.7.1 require the Contractor (at the Contractor's expense) to restore or procure the restoration of Bank Data from the last daily backup to the extent and in accordance with the requirements specified by the Bank. In such an event, the Contractor shall do so as soon as practicable but not later than three (3) days after notice to do the same; and/or
  - A.1.8.7.2 itself restore or procure the restoration of Bank Data from the last daily backup and shall be repaid by the Contractor any reasonable expenses incurred in doing so to the extent and in accordance with Bank requirements.
- A.1.8.8 If at any time the Contractor suspects or has reason to believe that Bank Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Contractor shall notify the Bank immediately and inform the Bank of the remedial action the Contractor proposes to take.
- A.1.8.9 The Bank shall back up its data on a regular basis and in any case prior to installing any Deliverable on the production environment.

## **A2 GENERAL**

### **A2.1 Amendments**

- A2.1.1 Any requirement for Change shall be subject to the Change Control Procedure included in Schedule 8 (Change Control).
- A2.1.2 Save as set out in this Agreement, no terms and conditions of either party (including, without limitation, any terms or conditions contained in any purchase order issued by the Bank) or invoices of the Contractor (or any third parties) shall form part of this Agreement or take precedence over any terms or conditions in this Agreement unless agreed using the change control procedure described in Schedule 8 (Change Control) by the parties.

### **A2.2 Notices and Communications**

- A2.2.1 Any notice or request required or permitted to be given or made under this Agreement shall be in writing and to the address notified by each party. Notices must be delivered by one of the following delivery methods: hand, recorded delivery post (or any equivalent

postal service), or e-mail. Such notice or request shall be deemed to have been served and received: (i) if delivered by hand, at the time and date of delivery; (ii) if sent by recorded delivery (or any equivalent postal service) to a recipient in the same country as the sender, forty eight (48) hours from the date of posting (such date as evidenced by postal receipt etc); (iii) if sent by recorded delivery (or any equivalent postal service) to a recipient in a different country as the sender, five (5) days from the date of posting (such date as evidenced by postal receipt etc); and (iv) if sent by e-mail, at the time and date of transmission shown on the saved sent copy kept by the sender (save that if the transmission occurs after 5.30pm on a Working Day or on a non-Working Day the notice shall be deemed to have been served at 9.30am on the next Working Day following transmission).

### **A2.3 Insurance**

- A2.3.1 The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an appropriate level of cover in respect of all risks which may be incurred by the Contractor, arising out of the Contractor's performance of this Agreement, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Contractor. Such insurance shall be maintained for the duration of the Term (and for a minimum of 6 (six) years following the expiration or earlier termination of this Agreement).
- A2.3.2 The Contractor shall hold employer's liability insurance in respect of Personnel in accordance with any legal requirement for the time being in force.
- A2.3.3 The Contractor shall produce to the Bank, on request, copies of all insurance policies referred to in this Clause or the Contractor's insurer's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies as may be reasonably requested by the Bank.
- A2.3.4 The Contractor shall notify the Bank immediately in writing of any anticipated or actual event or circumstances which may lead or has lead to the Contractor being unable to meet its obligations under this Clause (including without limitation, any relevant insurance lapsing or being terminated or the cover under such insurances being reduced or modified).
- A2.3.5 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by this Agreement the Bank shall have a right to terminate this Agreement in accordance with Clause 7.2.1 (Termination for Default) of the Main Terms or to make alternative arrangements to protect its interests and then recover the costs of such arrangements from the Contractor.
- A2.3.6 The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under this Agreement. It shall be the responsibility of the Contractor to determine the amount of

insurance cover that will be adequate to enable the Contractor to satisfy any liability referred to in this Agreement.

#### **A2.4 Relationship of the Parties**

- A2.4.1 Nothing in this Agreement is intended to create a partnership, joint venture agency, or legal relationship of any kind that would impose liability upon one party for the act or failure to act of the other party, or to authorise either party to act as agent for the other party. Neither party shall have authority to make representations, act in the name of, or on behalf of, or to otherwise bind the other party.
- A2.4.2 The Contractor's status shall be that of an independent contractor and it is expressly understood that the Contractor is not an employee or servant of the Bank.

#### **A2.5 Equality and Discrimination**

- A2.5.1 The Contractor shall, and shall procure that the Personnel, comply with any applicable anti-discrimination legislation.

#### **A2.6 Health and Safety**

- A2.6.1 The Contractor acknowledges that it has been supplied with a copy of the Bank's rules and procedures regarding health and safety. The Contractor agrees to comply with these rules when on the Premises, and any reasonable additional rules made known to the Contractor from time to time by the Bank together with all applicable statutory rules and regulations regarding these matters. The Contractor will be responsible for procuring that its Personnel who are involved in providing the Services also comply with these rules and regulations.
- A2.6.2 Either party shall notify the other as soon as practicable of any health and safety hazards at the Premises of which it becomes aware. The Contractor will draw these hazards to the attention of the Personnel and will instruct those persons in connection with any necessary associated safety measures.
- A2.6.3 The Contractor shall report immediately to the Bank any accident or injury and any damage to the property of the Bank or to the property of any third parties occurring in or arising out of the performance of its obligations under this Agreement and any act, matter or thing which within its knowledge may have caused such accident or injury.
- A2.6.4 If any Services are being performed which involve lifting or moving equipment at the Premises, the Contractor shall have the responsibility to ensure that it and its Personnel who are involved in providing the Services take advantage of the manual handling training which is made available on the Bank's intranet.

#### **A2.7 Environmental Considerations**

- A2.7.1 The Contractor shall, when working on the Premises, perform this Agreement in accordance with the Bank's environmental policy, which is to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances

and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

- A2.7.2 The Contractor shall, unless otherwise agreed with the Bank, insofar as any products supplied under this Agreement comprise or include electrical or electronic equipment, manage the said equipment and associated consumables at their end of life to facilitate recovery, treatment and recycling in accordance with the Waste Electrical and Electronic Equipment Directive 2002/96/EC and provide any information which the Bank may reasonably require from time to time regarding the costs of such activity.
- A2.7.3 The Contractor shall comply in all material respects with applicable environmental laws and regulations in force from time to time in relation to the Services (as applicable) the subject of this Agreement. Where the provisions of any such legislation are implemented by the use of voluntary contracts or codes of practice, the Contractor shall comply with such contracts or codes of practice as if they were incorporated into English law subject to those voluntary contracts or codes being cited in the tender documentation. Without prejudice to the generality of the foregoing, the Contractor shall:
- A2.7.3.1 comply with all reasonable stipulations of the Bank aimed at minimising the packaging in which the products supplied by the Contractor to the Bank as part of performance of the Services, are supplied;
- A2.7.3.2 promptly provide such data as may reasonably be requested by the Bank from time to time regarding the weight and type of packaging according to material type used in relation to all products supplied to the Bank under or pursuant to this Agreement;
- A2.7.3.3 comply with all obligations imposed on it in relation to the Services the subject of this Agreement by the Producer Responsibility Obligations (Packaging Waste) Regulations 2007 and the Packaging (Essential Requirements) Regulations 2003 (or any other equivalent legislation giving effect in any part of the European Economic Area to the Packaging and Packaging Waste Directive 94/62/EC);
- A2.7.3.4 label all products supplied to the Bank under this Agreement, and the packaging of those products, to highlight environmental and safety information as required by applicable UK and EU legislation;
- A2.7.3.5 promptly provide all such information regarding the environmental impact of any products supplied or used under this Agreement as may reasonably be required by the Bank to permit informed choices by end users; and
- A2.7.3.6 where goods are imported into the United Kingdom then for the purposes of the Producer Responsibility Obligations (Packaging Waste) Regulations 2007,

assume the rolled-up obligations for all the activities performed outside the United Kingdom in relation to the goods and the packaging which is used for the containment, protection, handling, delivery and presentation of the goods in addition to any other obligations he may have pursuant to the said Regulations.

- A2.7.4 The Contractor shall meet all reasonable requests by the Bank for information evidencing the Contractor's compliance with the provisions of Clause A2.7.3.

## **A2.8 Prevention of Bribery and Corruption**

- A2.8.1 The Contractor warrants and covenants that it and its Personnel shall comply with any applicable Law in force from time to time regarding bribery, fraudulent acts and/or any other corrupt practice including:

A2.8.1.1 the Bribery Act 2010; and

A.2.8.1.2 any equivalent laws in the territory in which the Contractor performs the Services for the Bank

(“**Anti-Bribery Law**”).

- A2.8.2 Without limiting Paragraph A2.8.1 the Contractor represents warrants and undertakes that it shall procure that its Personnel and any other third party that performs the Services on its behalf will comply with the Anti-Bribery Law.

- A2.8.3 Without limiting Paragraphs A2.8.1 and A2.8.2, the Contractor represents, warrants and undertakes that it and its Personnel will:

A2.8.3.1 adhere to and comply with any policies or protocols notified to it by the Bank from time to time regarding bribery, fraudulent acts and/or any other corrupt practices, which the Contractor hereby confirms it shall adhere to and comply with; and

A2.8.3.2 provide any information reasonably requested by the Bank from time to time in relation to ensuring compliance by the Bank with any law or Anti-Bribery Law;

- A2.8.4 Without limiting Paragraphs A2.8.3 the Contractor represents warrants and undertakes that it shall procure that its Personnel and any other third party that performs the Services comply with the obligations as set out in Paragraphs A2.8.3.1 and A2.8.3.2.

- A2.8.5 Without limiting Paragraph A2.8.1, the Contractor represents, warrants and undertakes that it and its Personnel will not offer promise or agree to give any financial or other advantage (including, but not limited to, any money or gift of any value):

A2.8.5.1 to any official or employee of any government, governmental or regulatory agency or other public

body (or any person acting in an official capacity for or on behalf of any government, governmental or regulatory agency or other public body) in return for such person assisting (by acting or refraining from acting in their official capacity), either directly or indirectly, in obtaining or retaining business for the Bank; or

A2.8.5.2 to any other person as an inducement or reward for the improper performance of any function or activity in relation to obtaining or retaining business for the Bank.

In this context “**improper performance**” means performance which does not comply with any reasonable expectations of impartiality or good faith or otherwise, that are expected of the Contractor or its Personnel.

A2.8.6 Without limiting paragraph A2.8.5 the Contractor represents warrants and undertakes that it shall procure that its Personnel and any other third party that performs the Services comply with the obligations as set out in Paragraphs A2.8.5.1 and A2.8.5.2.

A2.8.7 The Contractor shall not enter into this Agreement if it has knowledge that, in connection with it, the Contractor or its Personnel have acted contrary to any obligation set out in this Paragraph A2.8, or that an agreement has been reached to that effect, unless details of any such arrangement have been disclosed in writing to the Bank before execution of this Agreement.

A2.8.8 If the Contractor, its Personnel or anyone acting on the Contractor's behalf (in all cases whether or not acting with the Contractor's knowledge) breaches Paragraphs A2.8.1 - A2.8.7 inclusive, the Bank may terminate this Agreement by written notice with immediate effect.

A2.8.9 Notwithstanding Paragraph A2.20, any dispute relating to:

A2.8.6.1 the interpretation of this Paragraph A2.8 inclusive; or

A2.8.6.2 the amount or value of any financial or other advantage.

shall be determined by the Bank and the decision shall be final and conclusive.

A2.8.10 Without prejudice to the generality of Clause 6.3 (Indemnities) of the Main Terms the Contractor specifically warrants that it shall indemnify the Bank against all costs, losses, damages or expenses (including, but not limited to third party claims, fines and penalties) incurred by or imposed upon the Bank due to any failure by the Contractor or its Personnel to comply with any of its obligations under this Paragraph A2.8. The limitation of liability set out in Clause 6.2.3.4 of this Agreement shall apply in respect of any liability which may arise under this Paragraph A2.8.

**A2.9 Prevention of Fraud**

- A2.9.1 The Contractor shall take all reasonable steps, in accordance with good industry practice, to prevent Fraud by Personnel and the Contractor (including its shareholders, members and directors) in connection with the receipt of monies from the Bank.
- A2.9.2 The Contractor shall notify the Bank immediately if it has reason to suspect that any Fraud has occurred or is likely to occur.
- A2.9.3 If the Contractor or the Personnel commits Fraud in relation to this Agreement, the Bank may terminate this Agreement with written notice with immediate effect.

**A2.10 Assignment and Sub-contracting**

- A2.10.1 Neither party may sub-license, assign, novate, or transfer this Agreement or any of its rights or obligations, or declare a trust, in whole or in part (including by way of sub-contracting) without the prior written consent of the other. Any attempt to assign, transfer or declare a trust without consent shall be null and void and shall be a breach of this Agreement.
- A2.10.2 Without prejudice to the above, the Bank hereby approves to the list of the Contractor's affiliates and subcontractors both acting as subcontractors enclosed in the Appendix attached herein. In addition, the Bank hereby acknowledges and accepts that, because the subcontractors listed in the Appendix other than the Contractor's affiliates, work under the Contractor's control and instruction and are only using the Contractor's system and equipment as if they were part of Vermeg's personnel, they are deemed to have satisfied the requirements of Schedule 10.
- A2.10.3 Sub-contracting any part of this Agreement shall not relieve the Contractor of any obligation or duty attributable to the Contractor under this Agreement. The Contractor shall be responsible for the acts and omissions of its sub-contractors as though they are its own.
- A2.10.4 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns. In the event that this Agreement, in whole or in part, is assigned or otherwise transferred to or assumed by a third party, the third party will agree to be bound by the terms and conditions of this Agreement and the assigning, transferring or disposing party will guarantee such third party's compliance.

**A2.11 Disruption and Force Majeure**

- A2.11.1 The Contractor shall take reasonable care to ensure that in the execution of this Agreement it does not disrupt the operations of the Bank, its employees or any other contractor employed by the Bank.
- A2.11.2 Neither party shall be liable to the other for loss or damage arising from a failure or delay on its part to perform any obligation under this Agreement where such failure or delay arises solely due to a Force Majeure Event. Notwithstanding the foregoing, each party

shall use all reasonable endeavours to continue to perform its obligations hereunder for the duration of such Force Majeure Event.

- A2.11.3 If either of the parties shall become aware of circumstances of a Force Majeure Event which give rise to or which are likely to give rise to any such failure or delay on its part it shall promptly notify the other and shall inform the other of the period which it is estimated that such failure or delay shall continue.
- A2.11.4 Should a Force Majeure Event persist for a period of sixty (60) days or more, then either party shall be entitled to terminate this Agreement upon ten (10) days' written notice and the Clauses of this Agreement relating the consequences of termination thereupon take effect.
- A2.11.5 The Contractor cannot claim relief from a Force Majeure Event to the extent that it is required to comply with the Bank's business continuity and recovery time frames set out in the Contractor's business continuity plan but has failed to do so (unless this failure is also due to a Force Majeure Event affecting the operation of such business continuity plan).
- A2.11.6 The party affected by the Force Majeure Event shall notify the other party as soon as practicable after the Force Majeure Event ceases or no longer causes the affected party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately before the occurrence of the Force Majeure Event unless agreed otherwise by the parties.
- A2.11.7 The Contractor shall promptly inform the Bank of any actual or potential industrial action, whether such action be by their own employees or others, which affects or is likely to affect its ability at any time to perform its obligations under this Agreement.
- A2.11.8 Notwithstanding Clause A2.11.2, if there is a security alert which prevents the Contractor or its Personnel from getting access to the Premises, the Contractor shall be entitled to an extension of time in order to deliver the Services but shall not be entitled to any additional Charges. If there is a security alert which requires the Contractor or its Personnel to leave the Premises, the Contractor shall not be entitled to an extension of time but it would be entitled to additional Charges.

## **A2.12 Legislative Change**

The Contractor shall neither be relieved of its obligations to supply the Services in accordance with the terms of this Agreement nor be entitled to an increase in the Charges as the result of a Change in Law (save that where any Change in Law would increase the cost of providing the Services to the Bank, in which case the provisions of the Change Control Procedure shall apply).

## **A2.13 Conflicts of Interest**

- A2.13.1 The Contractor shall take appropriate steps to ensure that neither the Contractor nor any Personnel is placed in a position where there

is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Contractor or such persons and the duties owed to the Bank under the provisions of this Agreement. The Contractor will disclose to the Bank full particulars of any such conflict of interest which may arise.

A2.13.2 The Bank reserves the right to terminate this Agreement immediately by notice in writing and/or to take such other steps it deems necessary where, there is or may be any conflict, or a potential conflict between the pecuniary or personal interests of the Contractor and the duties owed to the Bank under this Agreement.

A2.13.3 The provisions of this Clause shall apply during the continuance of this Agreement and indefinitely after its termination.

#### **A2.14 Non Solicitation**

A2.14.1 Each party agrees that it shall not, and the Contractor shall procure that any sub-contractor shall not, directly or indirectly, solicit or entice away (otherwise than by general advertising or the operation of TUPE) from the employment of the other party any person employed or engaged by such other party in the provision of the Services or (in the case of the Bank) in the receipt of and/or administration of the Services whilst such persons are so employed or engaged and for a period of six (6) months thereafter.

A2.14.2 Each party agrees that if it breaches the provisions of Clause A2.14.1 by successfully soliciting or enticing away any such person (the "**New Joiner**") (otherwise than by general advertising or the operation of TUPE), it shall pay the other party a sum equivalent to twenty percent (20%) of the annual base salary payable by the breaching party in respect of the first year of the New Joiner's employment.

A2.14.3 The parties agree that the amount referred to in Clause A2.14.2 represents a reasonable pre-estimate of the loss and damage which the non-breaching party would suffer in the event of a breach of Clause A2.14.1.

#### **A2.15 Waiver**

A2.15.1 The rights and remedies provided by this Agreement may be waived only in writing and signed by or on behalf of an authorised signatory of the Bank and an authorised signatory of the Contractor in a manner that expressly states that a waiver is intended, and such waiver shall only be operative with regard to the specific circumstances referred to.

A2.15.2 Any failure to exercise or any delay in exercising a right or remedy by either party shall not constitute a waiver of that right or remedy or of any other rights or remedies.

A2.15.3 A waiver of any right or remedy arising from a breach of this Agreement shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of this Agreement.

## **A2.16 Cumulative Remedies**

The rights and remedies provided by this Agreement are cumulative and, unless otherwise provided in this Agreement, are not exclusive of any right or remedies provided at law or in equity or otherwise under this Agreement.

## **A2.17 Severability**

If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of this Agreement shall continue in full force and effect as if this Agreement had been executed with the invalid provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of this Agreement, the Bank and the Contractor shall immediately commence good faith negotiation to remedy such invalidity.

## **A2.18 Audit Rights**

A2.18.1 The Contractor shall keep and maintain until six (6) years after this Agreement has been completed, or as long a period as may be agreed between the parties, full and accurate records of this Agreement including the Services (as applicable) provided under it, the Charges due to the Contractor and all payments made by the Bank under this Agreement.

A2.18.2 The Contractor shall allow the Bank by its own employees or duly authorised agents at reasonable times and upon reasonable notice to inspect and take copies of or extracts from such records to the extent reasonably necessary for the purpose of verifying the proper performance by the Contractor of its obligations pursuant to this Agreement and the amounts due to the Contractor hereunder.

A2.18.3 The Contractor shall allow the Bank's employees or its duly authorised agents, at any time and upon twenty four (24) hours' notice, to enter the Contractor's premises for the purposes of inspecting and carrying out any enquiries necessary to investigate a breach (or apparent breach) of Clause A1 that the Bank believes on reasonable grounds to have occurred or will occur. The Bank shall only conduct such a security audit upon the written authorisation of the Chief Cashier and a copy of which shall be provided to the Contractor at the time or, if practicable, before this Clause A2.18.3 is exercised and

## **A2.19 Third Party Rights**

Except where expressly provided to the contrary, this Agreement is not intended to be for the benefit of, and shall not be enforceable by, any person who is not named at the date of this Agreement as a party to it or any person who claims rights under the Contracts (Rights of Third Parties) Act 1999 or otherwise and neither party can declare itself a trustee of the rights under it for the benefit of any third party. The parties to this Agreement reserve the right to rescind or vary this Agreement without the consent of any third party who is expressly entitled to enforce this Agreement.

## **A2.20 Dispute Resolution Procedure**

- A2.20.1 The parties shall attempt to resolve any disputes (other than those relating to the termination of this Agreement in whole or in part) arising under or in relation to this Agreement in the following manner (“**Dispute Resolution Procedure**”):
- A2.20.1.1 either party to submit the dispute to the Contract Managers, who shall meet within five (5) Working Days of notification of the dispute to gather and analyse any information relevant to the resolution of the dispute;
  - A2.20.1.2 the Contract Managers shall negotiate in good faith in an effort to resolve the dispute;
  - A2.20.1.3 if the Contract Managers determine in good faith that resolution through continued discussions does not appear likely within five (5) Working Days of the original referral, the matter shall be referred to the CEO (or equivalent) of each party to attempt to negotiate a resolution of the dispute. The CEOs (or equivalent) shall meet within five (5) Working Days of notification of the dispute to negotiate in good faith in an effort to resolve the dispute; and
  - A2.20.1.4 if the parties determine in good faith that resolution through continued discussions does not appear likely within ten (10) Working Days of the original referral, then the parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution’s (CEDR’s) Model Mediation Procedure (in relation to which, the parties shall bear their own costs).
- A2.20.2 The specific format for the discussions shall be determined at the discretion of the parties, but may include the preparation of agreed statements of fact or written statements of position.
- A2.20.3 Proposals and information exchanged during the informal proceedings described in this Clause between the parties shall be privileged, confidential and without prejudice to a party’s legal position in any formal proceedings. All such proposals and information, as well as any conduct during such proceedings, shall be considered settlement discussions and proposals, and shall be inadmissible in any subsequent proceedings.
- A2.20.4 In the event that the parties fail to agree the resolution of the dispute by mediation, either party may then invoke legal proceedings to seek determination of the dispute.
- A2.20.5 Subject to Clause A2.20.7, the parties agree that they shall not commence legal proceedings until the Dispute Resolution Procedure has been exhausted.

A2.20.6 The Contractor shall continue to provide the Services in accordance with the terms of this Agreement until a dispute has been resolved, provided the Bank pays the Charges due to the Contractor if any.

A2.20.7 Nothing in this dispute resolution procedure shall prevent the parties from seeking from any court of the competent jurisdiction an interim order restraining the other party from doing any act or compelling the other party to do any act.

#### **A2.21 Governing Law and Jurisdiction**

This Agreement shall be governed by and construed in accordance with English law and subject to Clause A2.20 the parties hereby irrevocably submit to the exclusive jurisdiction of the English courts to settle all contractual (and non-contractual disputes) arising in relation to, or in connection with, this Agreement.

#### **A2.22 Counterparts**

This Agreement may be executed in counterparts, each of which when executed and delivered shall constitute an original but all counterparts together shall constitute one and the same instrument. This Agreement shall not take effect until it has been executed by both parties.

#### **A2.23 Costs of each**

Unless expressly agreed otherwise by the parties, each party shall pay its own costs and expenses incurred in connection with the negotiation, preparation, execution and performance of this Agreement.

**APPENDIX-  
CONTRACTOR'S APPROVED SUBCONTRACTORS**

| <b>Name of the Company</b> | <b>Company Type (ex. SA, SAS, ...)</b> | <b>Registered Place</b>                                      | <b>Outsourced tasks</b> | <b>Registration Number</b> | <b>Individual VAT Number</b> |
|----------------------------|--|--|-------------------------|----------------------------|------------------------------|
| VERMEG BELGIUM             | S.A.                                   | Boulevard du Régent 37/40, 1000 Bruxelles, Belgique          |                         | BCE 0456.861.783.          | BE0456.861.783               |
| VERMEG LUXEMBOURG          | S.A.                                   | 52 Boulevard Marcel Cahen, 1311 Luxembourg                   |                         | 1996 22 14730              | LU169.069.58                 |
| VERMEG MEDIA               | S.A.R.L.                               | Rue du Lac Biwa, Les Berges du Lac, 1053 Tunis, Tunisie      |                         | B2477432008                |                              |
| VERMEG FRANCE              | SAS                                    | 16 Rue de 4 Septembre, 75002 Paris, France                   |                         | 438 549 644                | FR16.440.124.568             |
| VERMEG FACTORY             | SA                                     | Rue du Lac Neuchâtel, Les Berges du Lac, 1053 Tunis, Tunisie |                         | B24226452010               |                              |
| VERMEG TURKANA             | S.A.R.L.                               | Rue du Lac Biwa, Les Berges du Lac, 1053 Tunis, Tunisie      |                         | B24189902012               |                              |
| VERMEG SYSTEMS Ltd         | LTD                                    | 3rd Floor 17 Bevis Marks, London, England, EC3A 7LN          |                         | 2322432                    |                              |
| Vermeg Management          | LTD                                    | 3rd Floor 17 Bevis Marks, London, England, EC3A 7LN          |                         | 3224870                    |                              |

**SCHEDULE 10**  
**ENVIRONMENTS AND DATA SECURITY REQUIREMENTS**

**1. Introduction and Definitions**

1.1 [Redacted]

1.2 [Redacted]

**PART A: THIRD PARTY CYBER SECURITY CONTROLS**

[Redacted]

**Cyber Security Category 1 – Fundamentals**

| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted]          |                              |  |

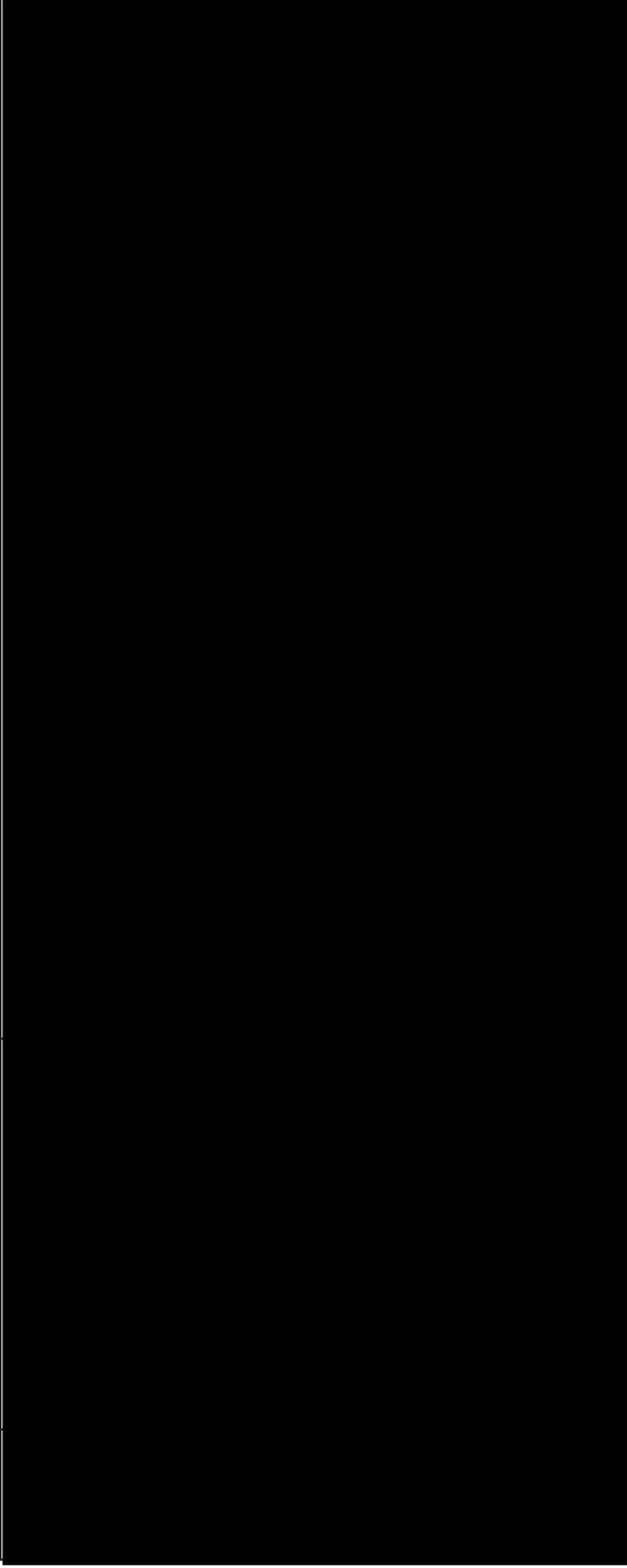
| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted Content]  |                              |  |

**Cyber Security Category 2 – Information & system protection**



| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted Content]  |                              |  |

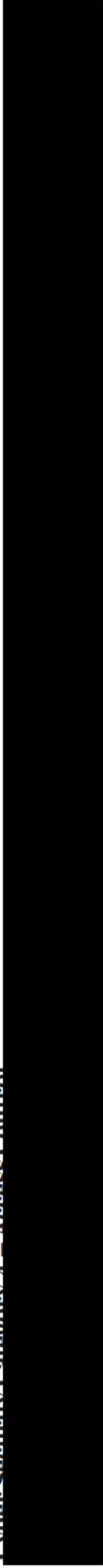
| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted Content]  |                              |  |

| Security Control ID   | Security Control Requirement | Detailed Security Control Requirements |
|---|------------------------------|--|
|  |                              |  |

### Cyber Security Category 3 – Incident Response

| Security Control ID   | Security Control Requirement | Detailed Security Control Requirements |
|---|------------------------------|--|
|  |                              |  |

**Cyber Security Category 4 - Access Control**



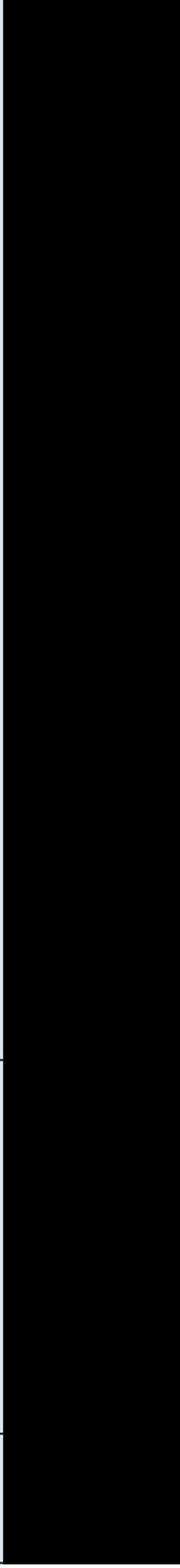
| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted Content]  |                              |  |

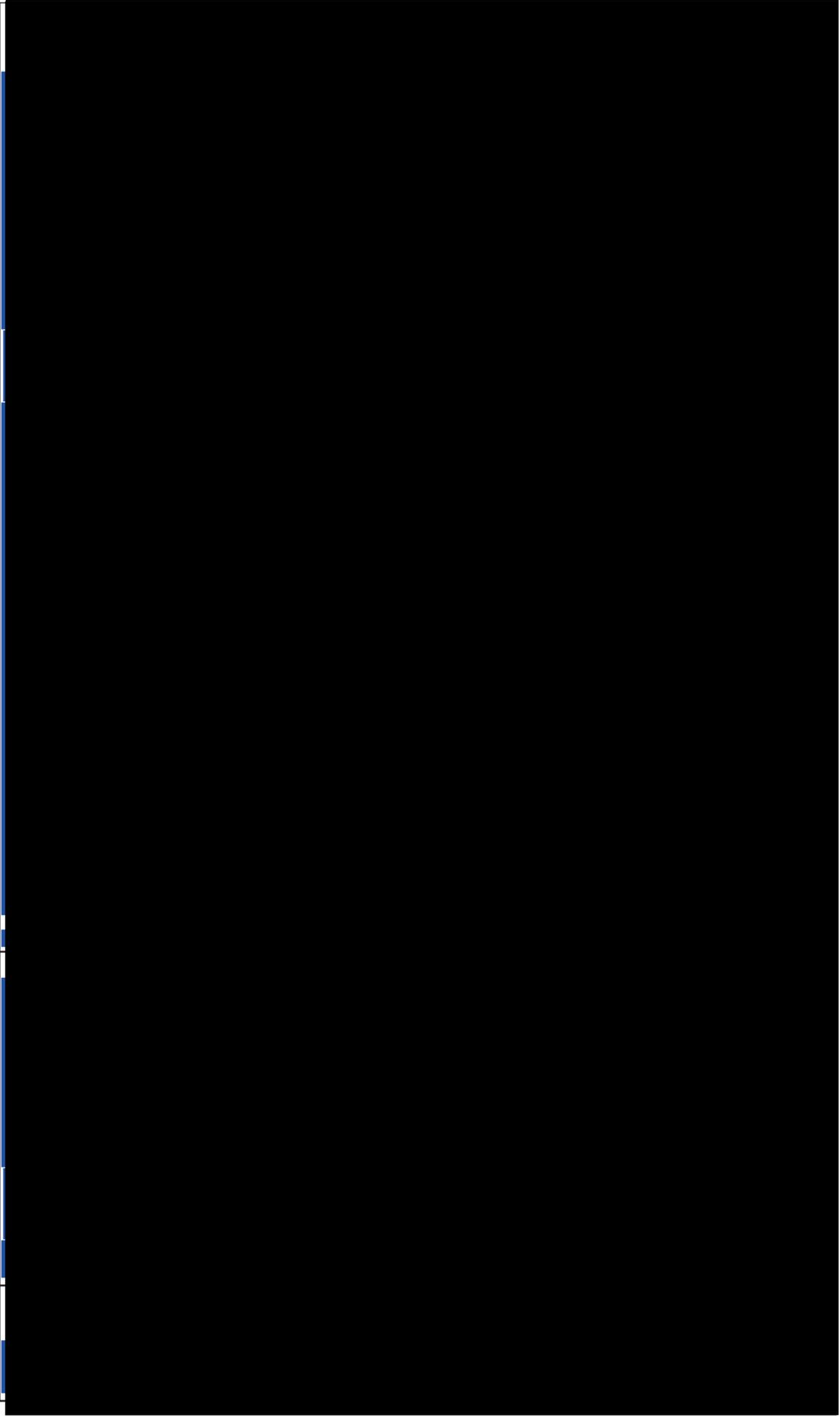
| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
| [Redacted Content]  |                              |  |

**Cyber Security Category 5 – Information Loss**



| Security Control ID | Security Control Requirement | Detailed Security Control Requirements |
|---------------------|------------------------------|--|
|---------------------|------------------------------|--|







## PART B: STANDARD SECURITY REQUIREMENTS

In this Security Schedule, unless the context otherwise requires, the following expressions have the following meaning:

**"Administrator"** means an individual responsible for configuring, maintaining, and conducting privileged activities on a system or application;

**"Bank-approved Encryption Standards"** means:

- (a) Cryptographic protocols;
- (b) Encryption algorithms and minimum key lengths;
- (c) Block cypher modes of operation; and
- (d) any other encryption-related standards as notified by the Bank to the Contractor from time to time,

each as approved by the Bank from time to time;

**"Bank Assets"** means any Bank assets, including the Bank Classified Information and the Bank Equipment;

**"Bank Classified Information"** means the Bank Data and any other Confidential Information relating to the Bank;

**Bank Equipment** means any hardware (including, without limitation, computers and telecoms devices) and other equipment provided by the Bank and used by the Contractor (including any such equipment that is hired, leased or loaned from the Bank) or the Contractor's sub-contractors for the provision of the Services;

**Bank Premises** means premises owned and/or operated by the Bank;

**"Best Industry Practice"** means standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a highly skilled and experienced person or body engaged within the upper quartile of the relevant industry or business sector;

**"Contractor Sites"** means any premises (other than Bank Premises) used in the provision of the Services;

**"Contractor Systems"** means any systems (including all hardware, software, telecommunications networks and other IT systems and solutions), whether those of the Contractor or its staff (including its sub-contractors), which are used in the provision of the Services to store, process or transmit any of the Bank Classified Information (whether held electronically, on paper or in any other form), including but not limited to development, test and live environments, the Secure Zone(s) and (unless the Bank confirms otherwise in writing) any Bank Systems operated by the Contractor (or sub-contractor) on behalf of the Bank pursuant to the Agreement;

**"ISCS"** means the Bank's Information Security Classification Scheme, details of which as notified by the Bank to the Contractor and priorly agreed by the Contractor and

which as at the Effective Date is located here <https://www.bankofengland.co.uk/-/media/boe/files/about/human-resources/iscs-external-guidance.pdf>;

**“Logs”** means:

- (a) audit logs recording User activities, system Administrator and system operator activities, exceptions and Security Incidents on the Contractor Systems; and
- (b) authentication logs which identify which specific user gained access to the Contractor Systems and when;

**"Malware"** means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on hardware, program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence and includes computer programs commonly referred to as worms, trojan horses, time or logic bombs, and disabling codes or routines;

**“NVS”** has the meaning set out in paragraph 6)e)(1) of this Schedule 10;

**“NVS Clearance”** has the meaning set out in paragraph 6)e)(1) of this Schedule 10;

**“Overseas Security Checks”** has the meaning set out in paragraph 6)e)(2) of this Schedule 10;

**"Secure Zone"** means a segmented network zone on the Contractor's (or any sub-contractor) premises separated from the general enterprise of that Contractor or sub-contractor. The secure zone contains Bank-related systems, and optionally other protected systems;

**Security Clearance Requirements** means vetting in accordance with National Security Vetting (NSV) requirements or such other vetting procedure as may be notified by the Bank to the Contractor from time to time and **Security Clearance and Security Cleared** means that an individual has satisfied those requirements from time to time;

**"Security Incident"** means the occurrence of: (i) any unauthorised access to or use of the Services, any site at which the Services (or any part thereof) are performed or Bank Classified Information is stored or processed, the Contractor Systems, the Bank Systems and/or the Bank Classified Information; (ii) the loss (physical or otherwise) and/or unauthorised disclosure of any information or data (including the Bank Classified Information), including copies of such information or data, used by the Bank, the Contractor or any sub-contractor in connection with this Agreement; (iii) any part of the Contractor Systems or Bank Systems ceasing to be compliant with the Security Requirements or any other breach of Security Requirements; (iv) any incident that could affect the security of the Bank Systems and/or Bank Classified Information; (v) any Security incident that may affect the reputation of the Bank were it to become public knowledge; or (vi) anything that affects the Bank's position as 'data controller' under the Data Protection Legislation;

**“Security Incident Response Process”** has the meaning given to it in Part A of this Security Schedule or, where no definition is provided in Part A, means any incident management process agreed between the Contractor and Bank or in the absence of such agreement, any incident management process reasonably requested by the Bank;

**"Security Tests"** means test procedures including (without limitation) tests of IT general controls, tests of IT application controls, code analysis, compliance scans and vulnerability scans and tests of compliance with Security Requirements relating to personnel or physical security (and **"Security Testing"** shall be construed accordingly);

**"Users"** means individuals who are end users requiring interactive access to a system or application (for example, for business transactions, monitoring, and access control).

## 1) General Requirements

- a) The Contractor shall prevent any corruption, loss, destruction or unauthorised disclosure of Bank Classified Information contained on its own system and will identify and take all precautions necessary to preserve and maintain the confidentiality, integrity and availability of the Bank Classified Information contained on its own system by taking appropriate technical and organisational measures to ensure a level of security appropriate to the risk and in accordance with Good Industry Practice and such standards are those of ISO 27001 or alternative.
- b) The Contractor shall comply and procure that its sub-contractors and all Personnel comply with the Bank's ISCS and the Security Requirements throughout the term of this Agreement.
- c) The Contractor will ensure that its staff complete all such documents as are reasonably required by the Bank in order to demonstrate its compliance with the requirements of this Security Schedule. Within a reasonable period of a request from the Bank, the Contractor will demonstrate its compliance with the Security Requirements and provide a written explanation to the Bank as to the methods and means by which it shall continue to ensure its compliance with such requirements, provided that the Bank will not require the Contractor to do so more than once in any 12-month period (unless the Bank has reasonable grounds for suspecting that: (i) the Contractor has failed to comply with any Security Requirements; or (ii) there has been a Security Incident).
- d) Without prejudice to the rest of this Agreement, if the Bank determines (on reasonable grounds) that the Contractor is failing to comply with:
  - (1) the Security Requirements;
  - (2) its obligations in relation to business continuity and disaster recovery (whether set out in this Security Schedule or elsewhere in the Agreement); and/or
  - (3) to comply with any Data Protection Legislation in respect of any Bank personal data,

then the parties shall promptly discuss, acting reasonably and in good faith, alternative methods by which the Contractor may comply with such obligations and the Contractor shall promptly implement such requirements.

- e) Without prejudice to the foregoing provisions of this paragraph o and any reporting obligations in relation to the Services set out in the Agreement, the Contractor shall promptly report to the Bank any suspected, potential or actual known breach of the Security Requirements.
- f) If requested by the Bank no more than once a year, the Contractor shall provide:

- (1) a Services roadmap for at least the first twelve (12) months of the Term of this Agreement; and
- (2) a Services roadmap for at least the first 12 months of the provision of the Services from the commencement of such provision, if not at the commencement of the Term.

## **2) Products and software**

- a) If the Services are cloud-based, the Contractor shall ensure that the Services provide identity and access management capabilities to permit the Bank to manage access to the Services and to Bank Classified Information.
- b) The Contractor shall ensure that, where the Services include software development, it shall follow secure development practices, including but not limited to protection against the current OWASP top 10 vulnerabilities.
- c) The Contractor shall notify the Bank prior to utilising any product in the delivery of the Services which has not already been approved by the Bank (including, but not limited to commercial-off-the-shelf (COTS) products and/or open source software.

## **3) Business Continuity Planning and Disaster Recovery**

- a) Without prejudice to the rest of this Agreement:
  - (1) the Bank will consult with the Contractor in relation to business continuity planning and disaster recovery processes and procedures; and
  - (2) the Contractor will offer its Commercially Reasonable Efforts to assist the Bank with any such planning, processes and procedures subject to a reasonable additional cost to the Bank.
- b) The Contractor shall comply with the requirements set out in Schedule 11 of this Agreement.

## **4) Security Testing, Configuration and Audit**

- a) The Contractor, upon 15 days prior notice, shall cooperate, comply with and participate in all Security Testing, audit and assurance related activities undertaken by the Bank upon the Bank's reasonable request. Such cooperation shall include but is not limited to:
  - (1) completing security questionnaires and providing requested documentation to evidence compliance with the Security Requirements;
  - (2) undertaking risk remediation activities agreed to by the Bank to address security control gaps identified in residual risk assessments undertaken by the Bank;
  - (3) ensuring appropriate members of Personnel attend periodic service reviews with the Bank's nominated attendees;
  - (4) providing appropriate Personnel to support all audits and audit related processes set out in the Agreement and this Security Schedule; and
  - (5) any other requests for cooperation activities by the Bank.

- b) Without prejudice to the requirements of Part A of this Security Schedule, the Contractor shall perform all such Security Tests on the Contractor Systems as are required in accordance with Good Industry Practice. In any event and without prejudice to the foregoing, the Contractor shall perform all such Security Tests on the Contractor Systems: (i) at the frequencies specified in Part A of this Security Schedule or, in the absence of a specified frequency for a particular type of test, at least annually for the duration of the Agreement; (ii) any other frequency per the Contractor's policies provided that the ISO 27001 Standards are met. .
- c) The Contractor must provide the Bank with a summary or the full results of any Security Tests as soon as practicable upon Bank request which would be made not more than once a year.
- d) The Bank will have a right to work with and review the Contractor's configuration and set up of its security controls as applied to all Contractor Systems where Bank Classified Information is processed or stored, subject to payment of a reasonable additional fee.
- e) The Bank shall be entitled to undertake, no more than once a year, an audit of the Contractor's security controls and its compliance with the Security Requirements (including performing Security Tests on the Services and the Contractor Systems) where a Security Incident has occurred provided that the Contractor is given 15days (15) advance notice. If such audit exceeds three man days, the Contractor reserves the right to invoice the reasonable workload beyond that.
- f) Where the Bank wishes to perform Security Tests in accordance with paragraph (e) above, subject to payment of a reasonable additional fee, the Contractor will co-operate and provide all reasonable assistance with respect to such Security Testing. Prior to the Bank conducting any such Security Tests, the Bank will consult with the Contractor as to the scope of the Security Tests (which may include any environments used to store, process or transmit any of the Bank Classified Information).
- g) Any failings revealed by any audit or Security Tests conducted in accordance with this Security Schedule will be remediated by the Contractor (at its own cost) promptly and in any event no later than within ninety (90) days of the Contractor becoming aware of such failings (or within any other alternative timeframe as may be agreed with the Bank on a case-by-case basis). The Contractor shall notify the Bank of the measures it proposes to take in order to remedy such failings and the parties, acting reasonably and in good faith, shall agree whether such measures are sufficient and whether any additional measures are required. Any remediation action undertaken by the Contractor shall take into account any additional measures required by the Bank, however, the implementation thereof would remain at mutual agreement.
- h) Subject to confidentiality obligations, the Contractor shall report to the Bank any: (i) unresolved internal audit test findings or issues; and (ii) Security Test findings or issues that are open ninety (90) days after being identified.

## **5) Security Incident**

- a) The Contractor shall report to the Bank any Security Incident, suspected Security Incident or imminent threat of a Security Incident that relates to the Services, as soon as possible upon becoming aware of such incident, giving all available details of the Security Incident and the relevant circumstances as at the time of such initial notification and must provide further details thereafter in phases as such details become available to the Contractor.

- b) The parties will meet, either in person or by conference call (as appropriate), as soon as possible but in any event no later than within four (4) hours from the time the Security Incident is reported to the Bank.
- c) In the event of an actual, attempted or potential Security Incident the Contractor:
  - (1) agrees to provide all reasonable assistance requested by the Bank (which may include, without limitation, conducting, or supporting the Bank to conduct, computer forensic investigations and analysis, taking such steps as are required by any competent law enforcement or supervisory authority and providing such further information as may be required by such authorities) within the timescales reasonably required by the Bank or such authorities; and
  - (2) must immediately invoke the Security Incident Response Process and take all measures necessary to minimise the extent of the actual or potential harm caused by such Security Incident, ensure the security and integrity of the Services and Bank Classified Information and to restore the security and integrity of the Contractor Systems and apply a tested mitigation against any such Security Incident.
- d) The Bank shall at all times be entitled to suspend all or any part of the Services during or following a Security Incident pending rectification of the issues relating to the Security Incident and the completion of Security Tests required under paragraph 4 (Security Testing, Configuration and Audit) above.
- e) The process and the timeframe for determining the appropriate remedial action (as set out in paragraph (c) above) may be reduced by agreement between the parties. If the parties cannot agree the timeframe for such remedial action, the Bank's decision, acting reasonably, will be final.
- f) Subject to the prior notification by the Bank and the Contractor prior approval, the Contractor shall comply with any applicable notification requirements to the National Cyber Security Centre, or any other equivalent competent regulatory body in respect of a Security Incident.

## 6) Personnel

### *Vetting of the Contractor by the Bank*

- a) The Contractor must:
  - (1) Conduct, prior to the provision of the Services background checks on Personnel, and conduct any additional background checks required by its own policies;
  - (2) For UK personnel, conduct background checks in accordance with the HMG Baseline Personnel Security Standard (“**BPSS**”) comprising verification of the following elements:
    - (i) identity – which includes:
      - (a) confirmation of name, date of birth and address;
      - (b) national insurance number or other unique personal identifying number where appropriate;

- (c) educational details and/or references when someone is new to the workforce when these are considered necessary;
- (d) confirmation of permission to work in the UK (as applicable); and
- (ii) nationality and immigration status (including an entitlement to undertake the work in question, which is a separate verification from the confirmation of permission to work in the UK in paragraph 1(a)(2)(i)(4) above); and
- (iii) employment history – full details of previous employers (name, address and dates) over the past 3 years; and
- (iv) criminal record (unspent convictions only);
- (3) ensure that paragraph 6)(a)(2) above is completed in order NSV checks (as further described in this Schedule) to be undertaken and completed in respect of any Personnel based in the UK who require access to Bank System and/or Bank Premises before such person has any involvement in the performance of the Services;
- (4) notify the Bank of the pass or fail results of all such background checks; and
- (5) ensure that only those members of the Personnel who have cleared the background checking process to the Bank's satisfaction (acting reasonably) will have access to Bank System and/or Bank Premises.

#### *Management of Personnel*

- b) On the Bank's reasonable request, the Contractor shall provide a list of Personnel that are involved in the provision of the Services (including, but not limited to those who have access, or have potential to access to Bank Classified Information), along with any permissions allocated to such personnel.
- c) The Contractor shall ensure that duties of Personnel are segregated to reduce opportunities for unauthorised or unintentional access to, or modification or misuse of Bank Classified Information.
- d) The Contractor shall ensure there is an implemented process for the joining, moving and leaving of Personnel and in particular that on termination or change of employment of a member of Personnel, on or before the last day of service in the relevant role: (i) access to Contractor Systems and Bank Systems is revoked; (ii) all assets and devices which can access Bank Classified Information are returned; and (iii) where the relevant member of Personnel has access to Bank Systems, the Bank is notified of such termination or change of employment.

#### *Security Clearance*

- e) The Contractor shall ensure that all relevant Personnel that will require access to (i) Bank premises (other than where that individual is attending the Bank as a visitor); and/or (ii) Bank Systems; for the purposes of the performance of the Contractor's obligations under this Agreement must:

#### *Security Clearance Requirements (NSV checks)*

- (1) in respect of any Personnel that is based in the UK, hold a current Security Clearance in accordance with National Security Vetting (“**NSV**”) requirements (“**NSV Clearance**”), and appropriate for the designated role (and comply with the behaviours expected of a Security Cleared individual);

Overseas Security Checks

- (2) in respect of any Personnel that have not lived in the United Kingdom for twelve (12) months within the last five (5) years of such Personnel requiring such access, and subject always to paragraph 6(g) below, have completed overseas security checks to the Bank’s satisfaction (“**Overseas Security Checks**”);

prior to such Personnel performing any part of the Services.

- f) Personnel who maintain an existing NSV Clearance or have completed Overseas Security Checks will have their NSV Clearance or Overseas Security Checks, as applicable, reviewed and confirmed by the Bank for the duration of their time providing the Services. The Bank’s vetting team will manage the confirmation of existing NSV Clearances and Overseas Security Checks. Personnel whose NSV Clearance or Overseas Security Checks, as applicable, are revoked and/or expire will not be permitted to work with Bank Systems nor will they be permitted to have access to Bank Premises (other than where that individual is attending the Bank as a visitor).
- g) In respect of Overseas Security Checks undertaken on a relevant Personnel, where such assurance can, in the Bank’s discretion, be provided, the Bank will permit such Contractor Personnel to access Bank Systems, and/or Bank Premises for the purposes of the performance of the Contractor’s obligations under this Agreement. Where the Bank cannot gain the necessary assurance, the Contractor shall not provide such Contractor Personnel with any such access.
- h) The Contractor shall, and shall procure that such Contractor Personnel shall, ensure the Bank is advised immediately on the Contractor and/or such Contractor Personnel performing the Services on the Bank’s premises, becoming aware of any issues (whether in relation to any Personnel or more generally) which gives the Contractor and/or such relevant Contractor Personnel reasonable cause to believe, from a security perspective, circumstances which may impact the validity of any Contractor Personnel’s NSV Clearances or outcome of their Overseas Security Checks. This shall include:
  - i) a change in nationality;
  - ii) a criminal conviction, arrest or caution;
  - iii) a substantive change in financial circumstances; and/or
  - iv) a significant change in personal relationship such that this would have an impact on the answers originally provided to any questions in this regard as part of the Security Clearance vetting process (e.g. marriages, civil partnerships or the cessation thereof).
- i) The Contractor shall ensure that the Bank is advised immediately on becoming aware that any member of the Personnel who, subsequent to their engagement as a member of the Personnel, ceases to be entitled to work in the United Kingdom or ends their employment with the Contractor.

- j) The Bank shall ensure that Contractor Personnel on premise attend Bank inductions before any accesses to Bank Equipment are given.
- k) The Bank retains the right to record any security (or other) incidents that may impact any Contractor Personnel's NSV Clearance or Overseas Security Checks on such Contractor Personnel's vetting record.

## **2) Physical and Environmental Security**

### *Risk Assessments*

- a) The Contractor shall ensure that a documented security risk assessment for all premises used in the provision of the Services is conducted and reviewed by a the Contractor's security lead at least annually.
- b) The Contractor shall make the above security risk assessment report available to the Bank for inspection as and when requested by the Bank on reasonable notice, no more than once a year.
- c) The Security risk assessment shall articulate all reasonable threats, vulnerabilities and control measures for any premises used in the provision of the Services.
- d) Where a threat is identified and an existing control measure is judged insufficient, the security risk assessment shall include recommended mitigation, ownership of remedial action and a timescale for completion of that action.

### *Physical Security Controls*

- e) The Contractor shall implement and maintain documented policies around physical security controls focused on the relevant and appropriate risks faced.
- f) The physical security controls and policies must be reviewed at least annually to assess the strength and effectiveness of their management and implementation.
- g) Without prejudice to the foregoing or to any more detailed requirements in Part A of this Security Schedule, the Contractor Sites, Contractor Systems and Contractor Equipment must:
  - i) be protected from natural and man-made hazards;
  - ii) be designed to physically segregate IT systems supporting services to the Bank in multi-tenancy situations, preventing unauthorised individuals from accessing such locations;
  - iii) be protected by layered security zoning within the building and a physical security perimeter;
  - iv) provide audited access controls for physical access to Bank Assets;
  - v) provide resilience; and
  - vi) detect and alert the Contractor to any unauthorised access.

**SCHEDULE 11**  
**BUSINESS CONTINUITY**

**1 GENERAL**

1.1 The Contractor shall:

- 1.1.1 use Commercially Reasonable Efforts to ensure that on the occurrence of a Contingency Event, any disruption to the Services is avoided, or at least minimised;
- 1.1.2 take reasonable precautions to ensure that a Disaster is avoided wherever possible; and
- 1.1.3 use Commercially Reasonable Efforts to ensure that in the event of a Disaster any disruption to the Bank's business processes and activities supported by the Services is avoided or at least minimised.

1.2

[REDACTED]

**2 CONTINGENCY PLANNING**

2.1 The Contractor shall ensure that during the Term of this Agreement that it shall provide an alternative site to re-route all service provision in the event that normal operating conditions and Services cannot be provided from [REDACTED] as a result of a Contingency Event.

2.2 The Contractor shall inform the Bank as soon as reasonable practicable upon becoming aware that a Contingency Event has happened (or is about to happen) so that the Bank can work with the Contractor to ensure that there is minimal disruption to the Services provided under this Agreement.

2.3 The Contractor shall ensure that it delivers to the Bank within [REDACTED] of a Contingency Event occurring, a detailed plan setting out what steps the Contractor is taking to ensure that the Services will be uninterrupted by the Contingency Event.

2.4

[REDACTED]

[REDACTED]

2.5 The Contractor shall ensure that the contingency site(s) is at all times ready to use for the provision of the Services under this Agreement and has all the necessary facilities to enable the Contractor to continue to provide the Services to the Bank if a Contingency Event occurs. In addition, the Contractor shall ensure that it has access to all the necessary records, documentation and Software (and has taken back-ups of the same) necessary to perform the Services. The Contractor shall as part of its reporting obligations to the Bank as such are out in Schedule 6 (Monitoring and Governance), detail what steps it has taken to ensure its compliance with this section 2.

2.6 The Contractor shall ensure that the Bank is kept informed of the nature and extent of any Contingency Event and is informed of all relevant Personnel (including any Key Personnel) contact details so that the Bank can remain in full contact with the Contractor during the occurrence of the Contingency Event.

2.7 [REDACTED]

[REDACTED]

**3 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN**

**3.1 Development and Distribution of Business Continuity and Disaster Recovery Plan**

3.1.1 The contractor shall document and maintain a Business Continuity and Disaster Recovery plan which demonstrates how it will comply with the provisions of this Agreement.

3.1.2 The Contractor has delivered, and the Bank has approved, the Contractor's Business Continuity and Disaster Recovery Plan.

3.1.3 The Contractor shall promptly distribute:

3.1.2.1 [REDACTED]

[REDACTED]

[REDACTED]

**3.2 Content of Business Continuity and Disaster Recovery Plan**

3.2.1 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**3.3 Maintenance of Business Continuity and Disaster Recovery Plan**

3.3.1 The Contractor shall put in place appropriate procedures for maintaining and updating the Business Continuity and Disaster Recovery Plan.

3.3.2 The Contractor shall maintain and update the Business Continuity and Disaster Recovery Plan to ensure that at all times the Plan is kept up to date with all changes to the Services and Key Personnel.

3.3.3 Without limiting paragraph 3.3.2, on a regular (but not less than once in [REDACTED] basis, the Contractor shall review and identify potential risks that may have an effect on the continuity of the Services. The Contractor shall promptly:

3.3.3.1 provide a copy of this risk assessment to the Bank; and

3.3.3.2 make any necessary amendments to the Business Continuity and Disaster Recovery Plan to address the potential risks.

3.3.4 [REDACTED]

3.4 **Testing the Business Continuity and Disaster Recovery Plan**

3.4.1 The Contractor shall test the Business Continuity and Disaster Recovery Plan by performing recovery rehearsals based on a realistic Disaster scenario.

3.4.2 The tests described in Paragraph 3.4.1 above shall be carried out by the Contractor:

- [REDACTED] [REDACTED]
- [REDACTED] [REDACTED]
- [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

3.4.4 The Contractor shall promptly:

3.4.4.1 provide the Bank with the results of any tests of the Business Continuity and Disaster Recovery Plan, and

3.4.4.2 take such steps as may be reasonably required to address any deficiencies or weaknesses uncovered by any such tests.

3.5 **Executing the Business Continuity and Disaster Recovery Plan**

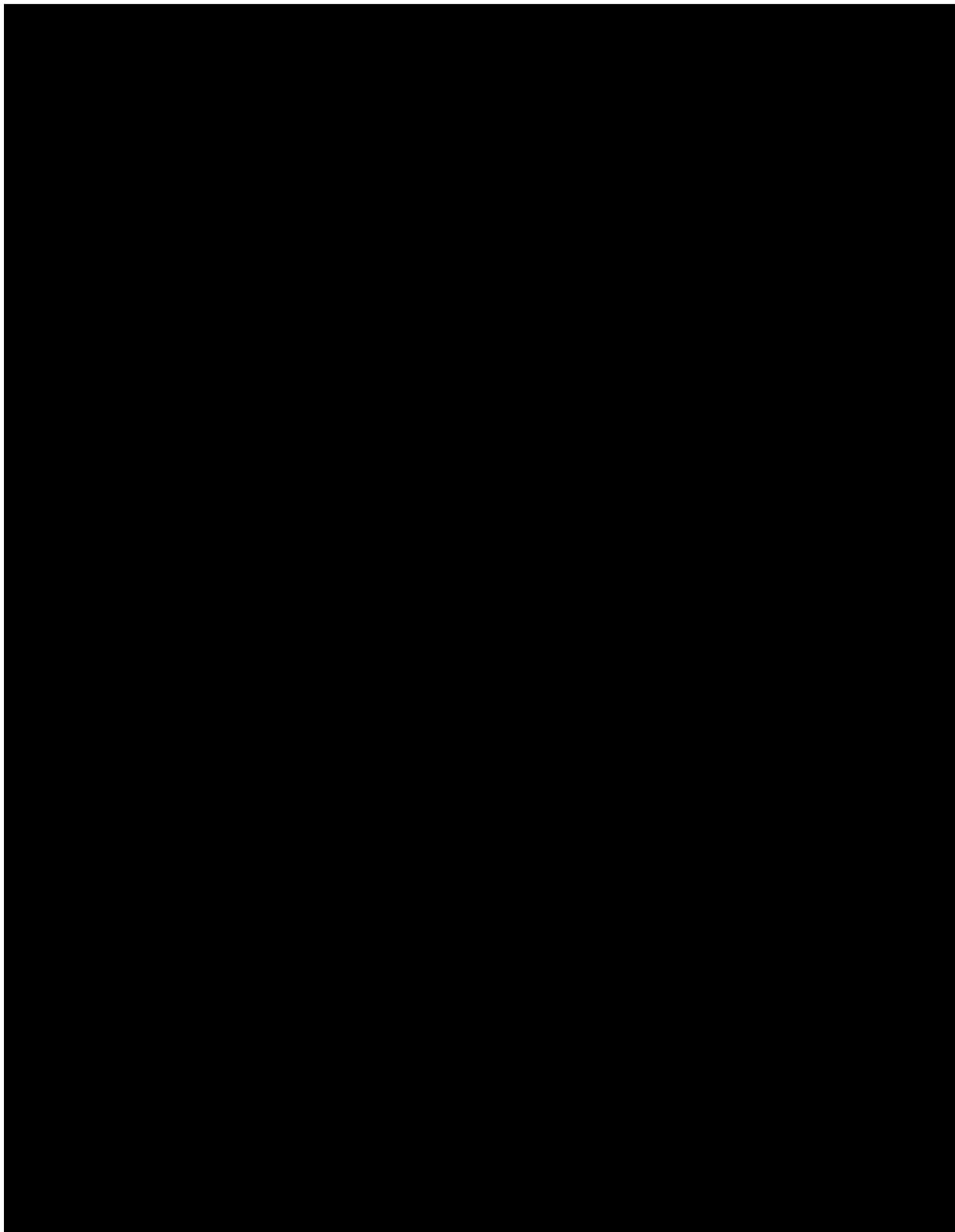
3.5.1 [REDACTED]

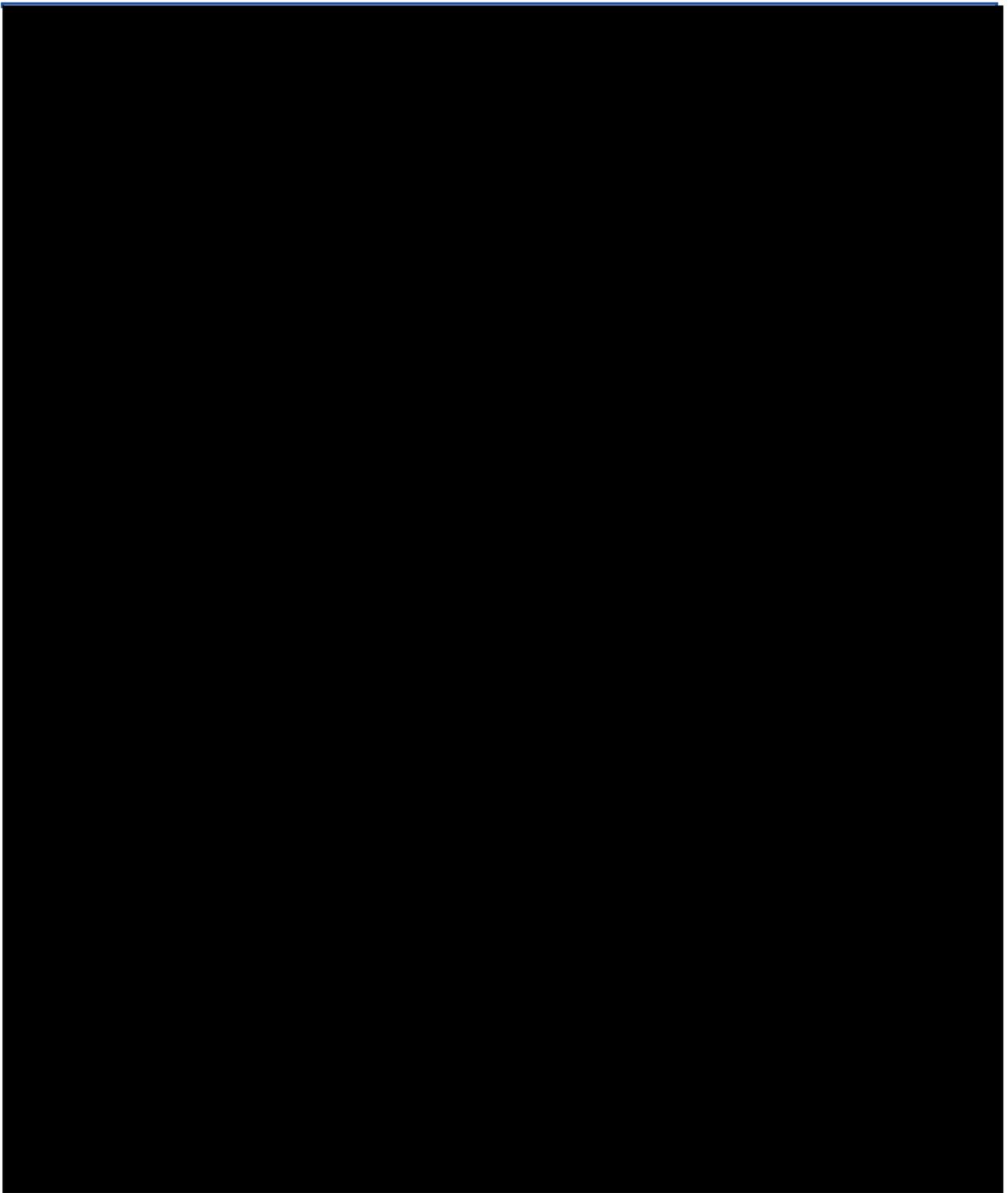
**SCHEDULE 12**  
**DEVELOPMENT**

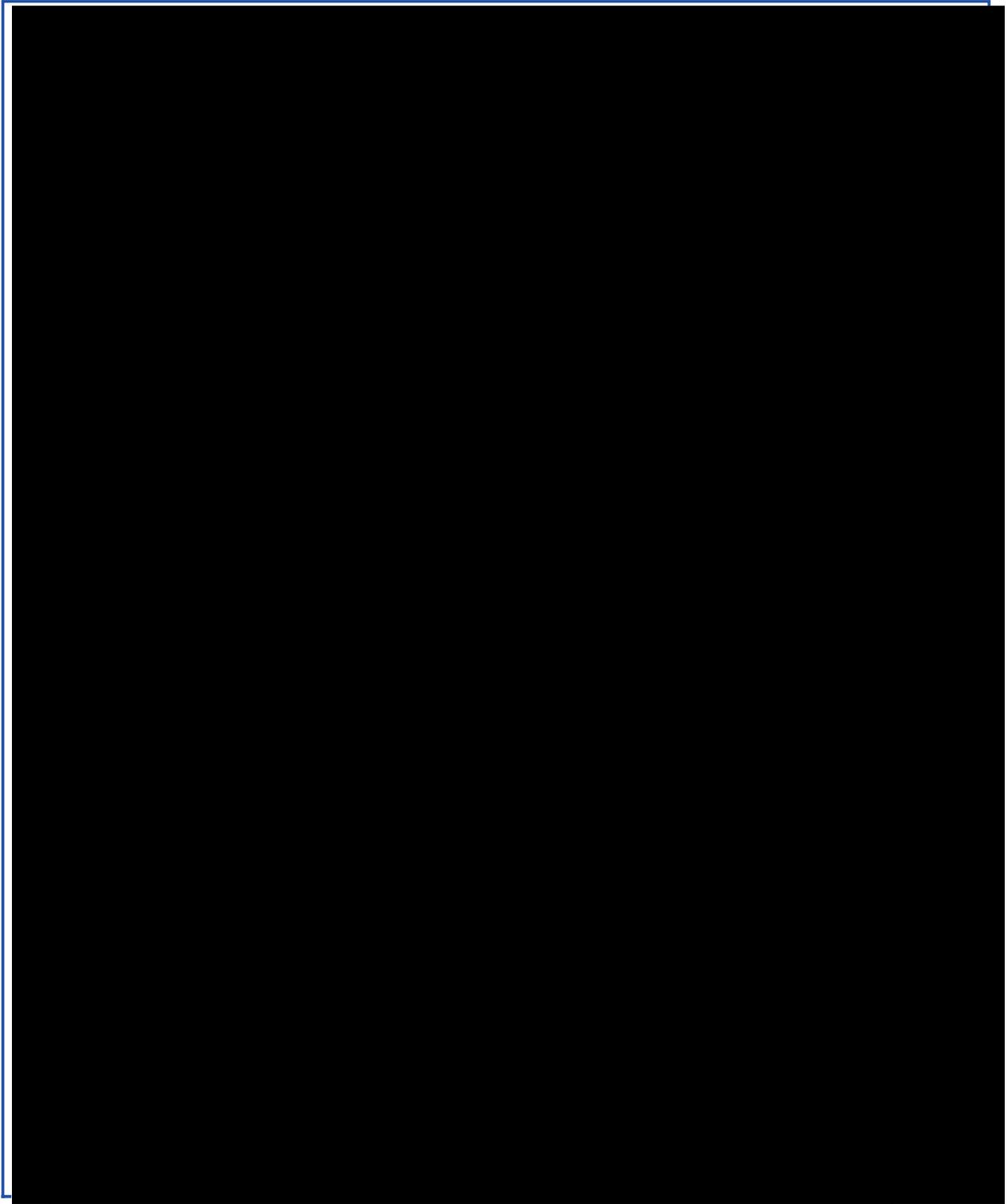
**1. Introduction and Definitions**

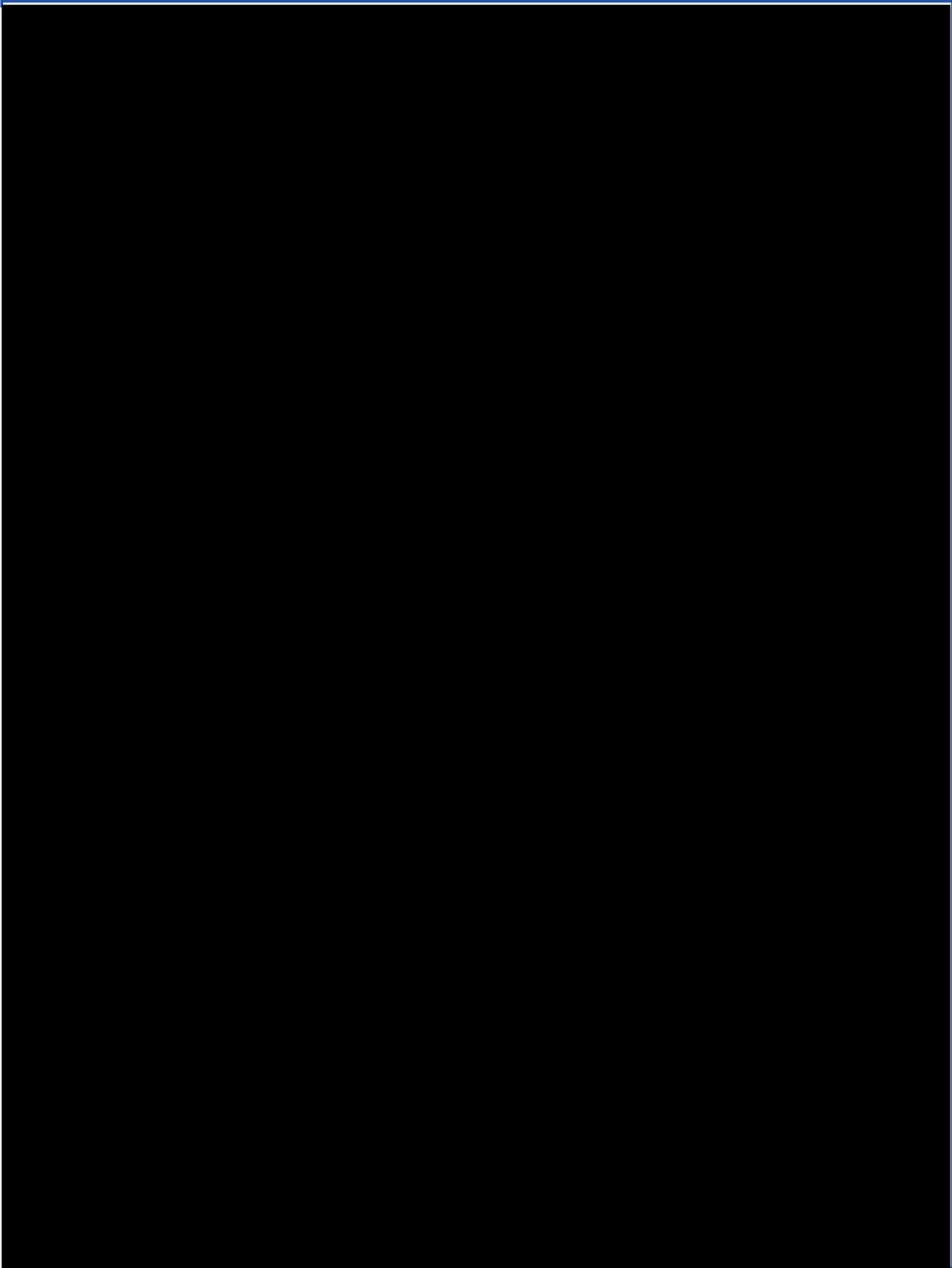
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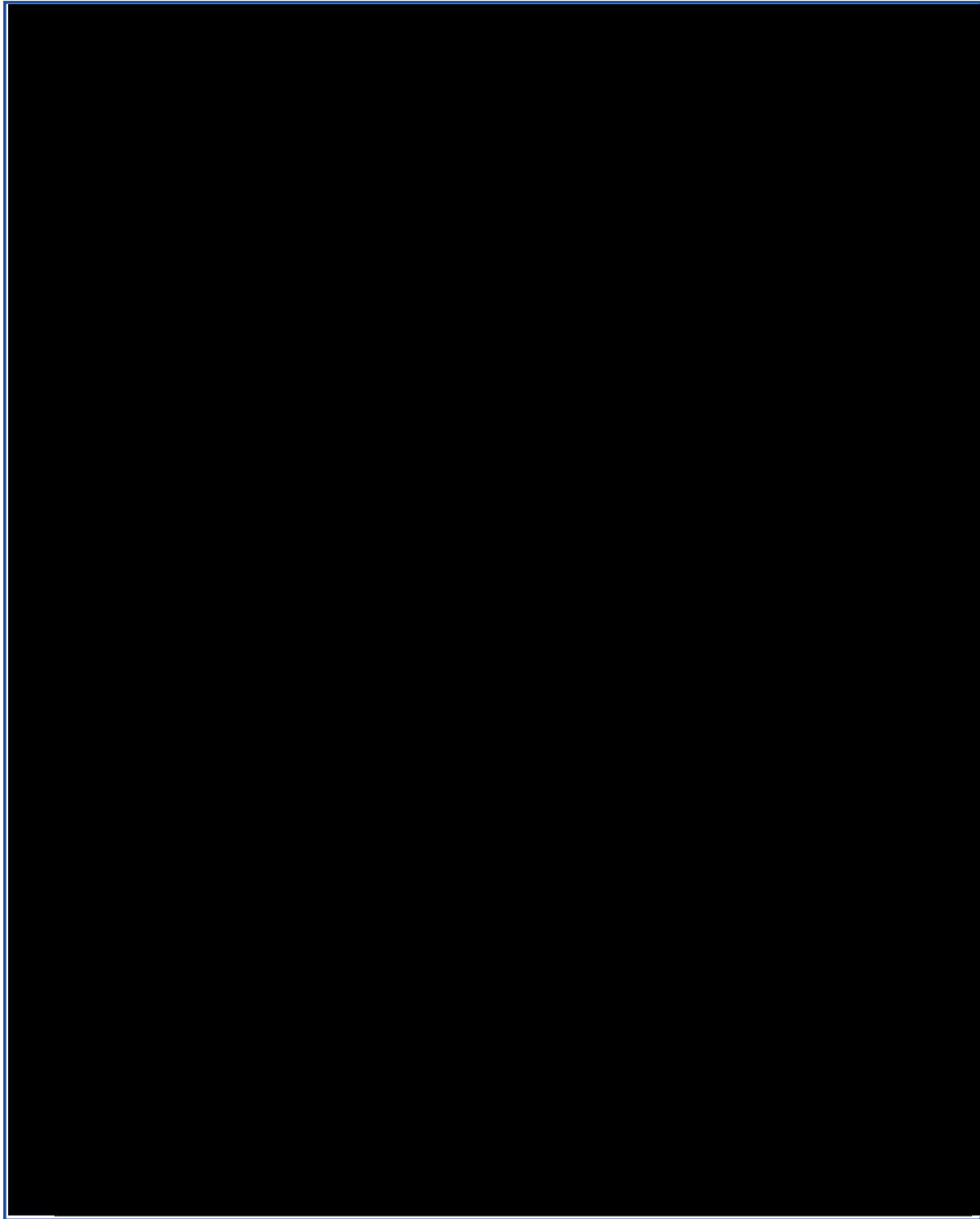
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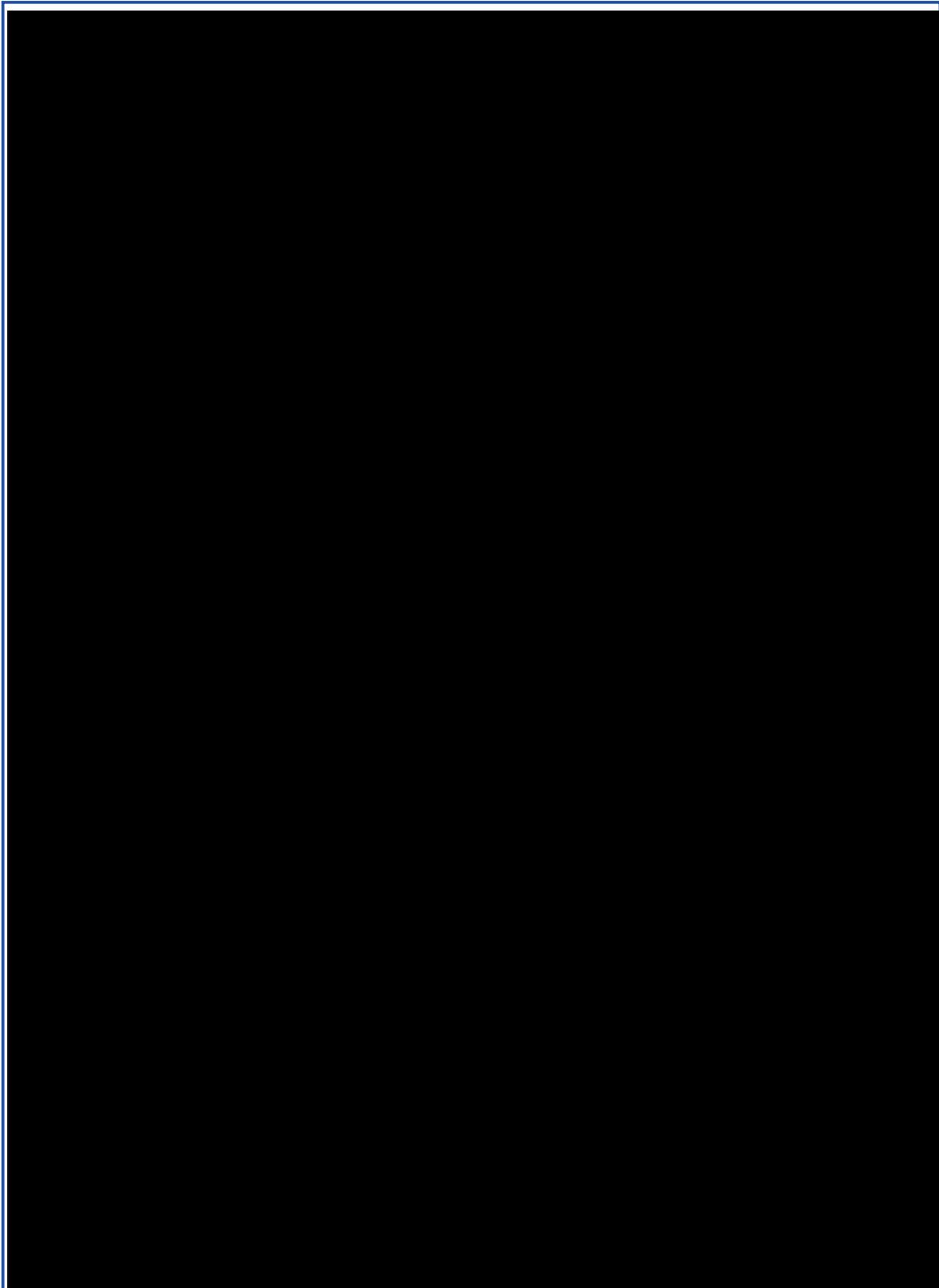


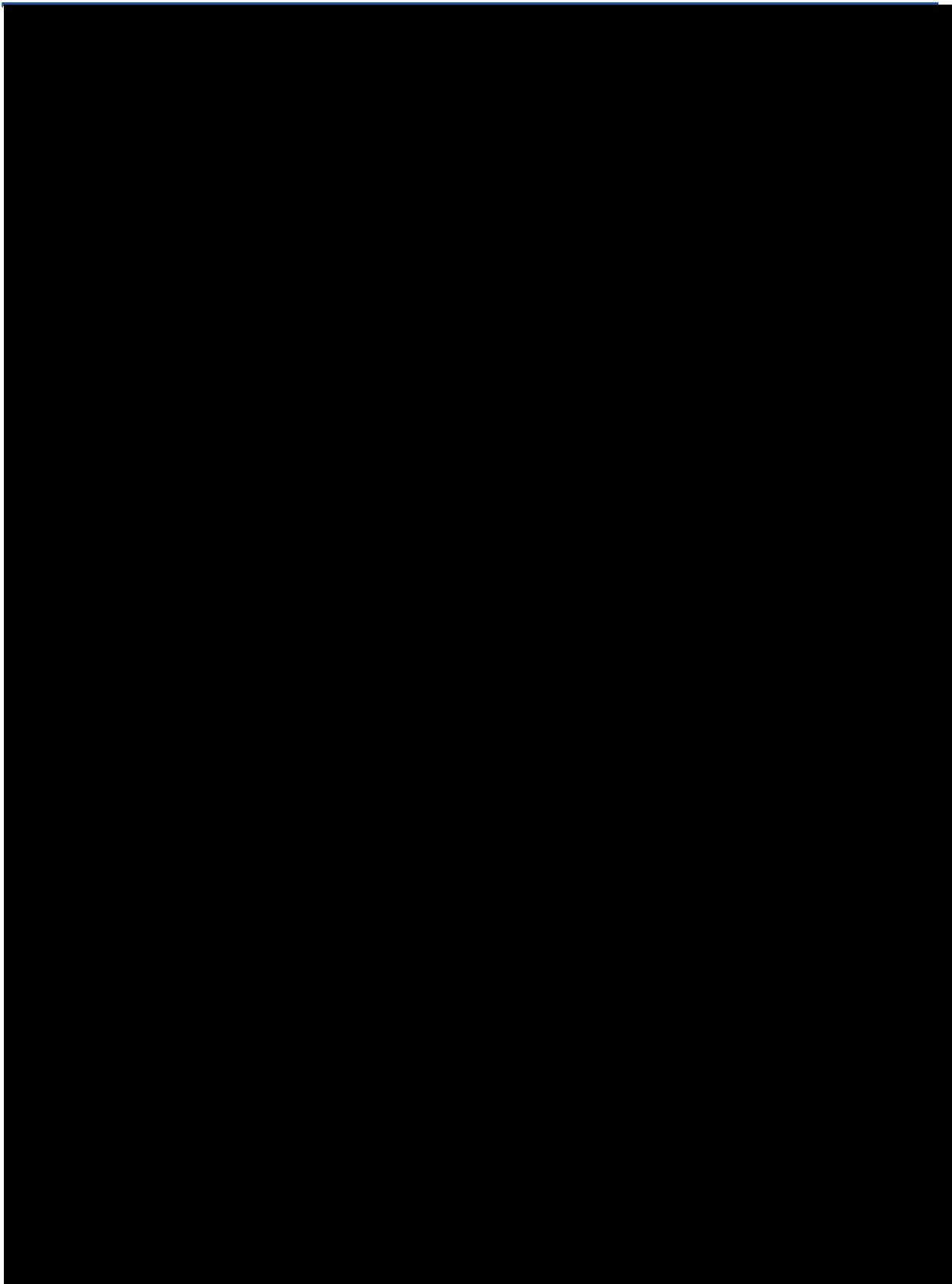


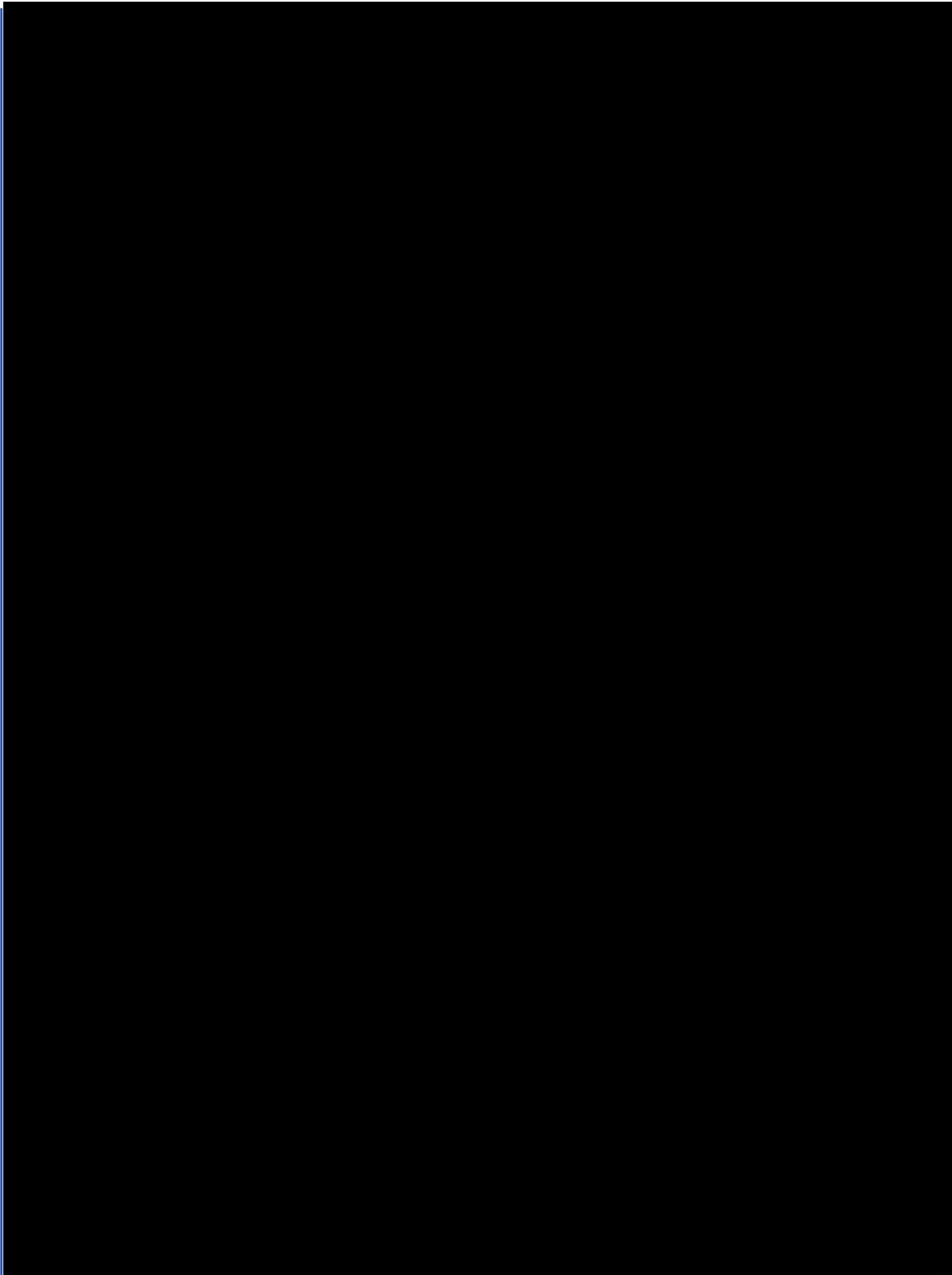


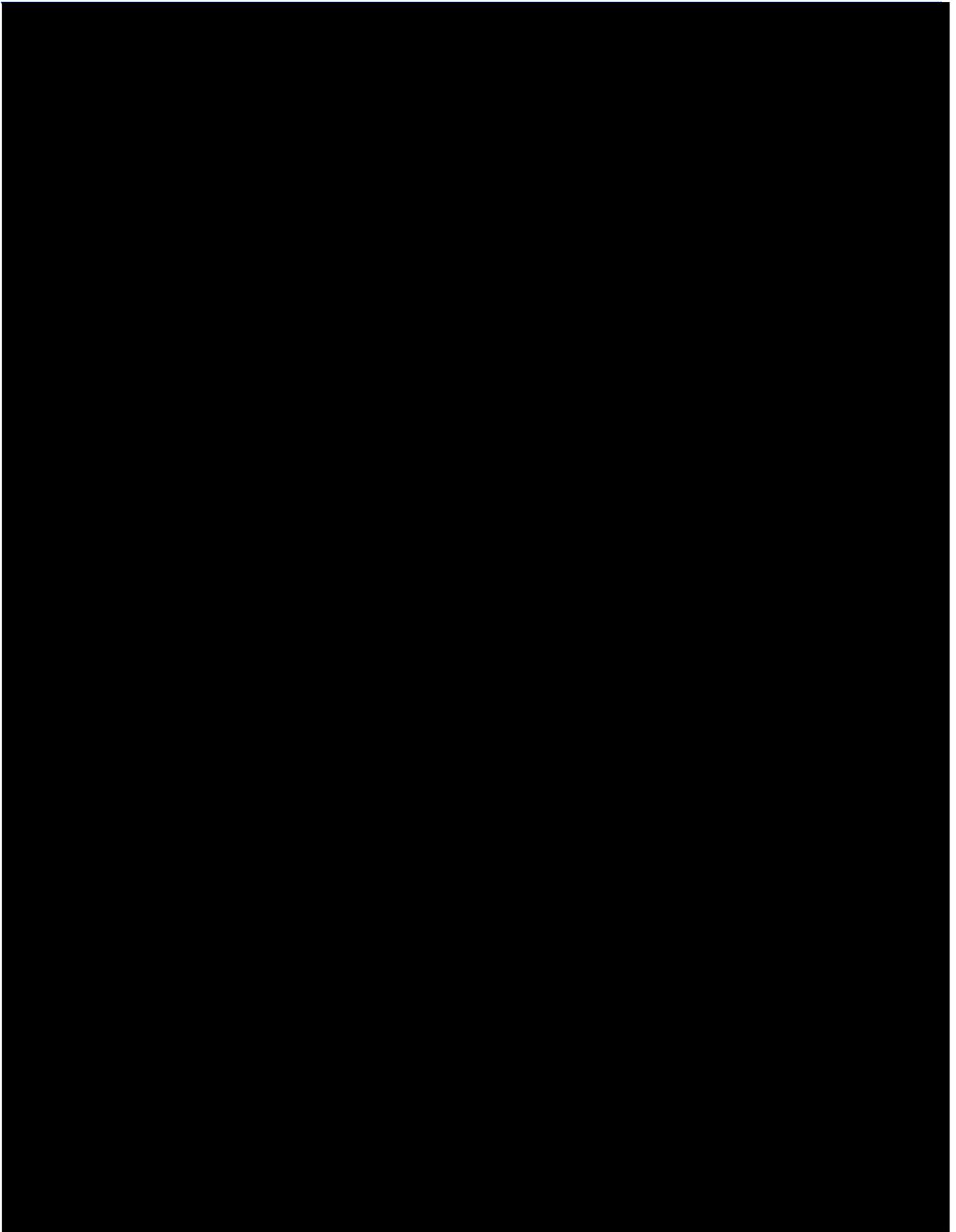


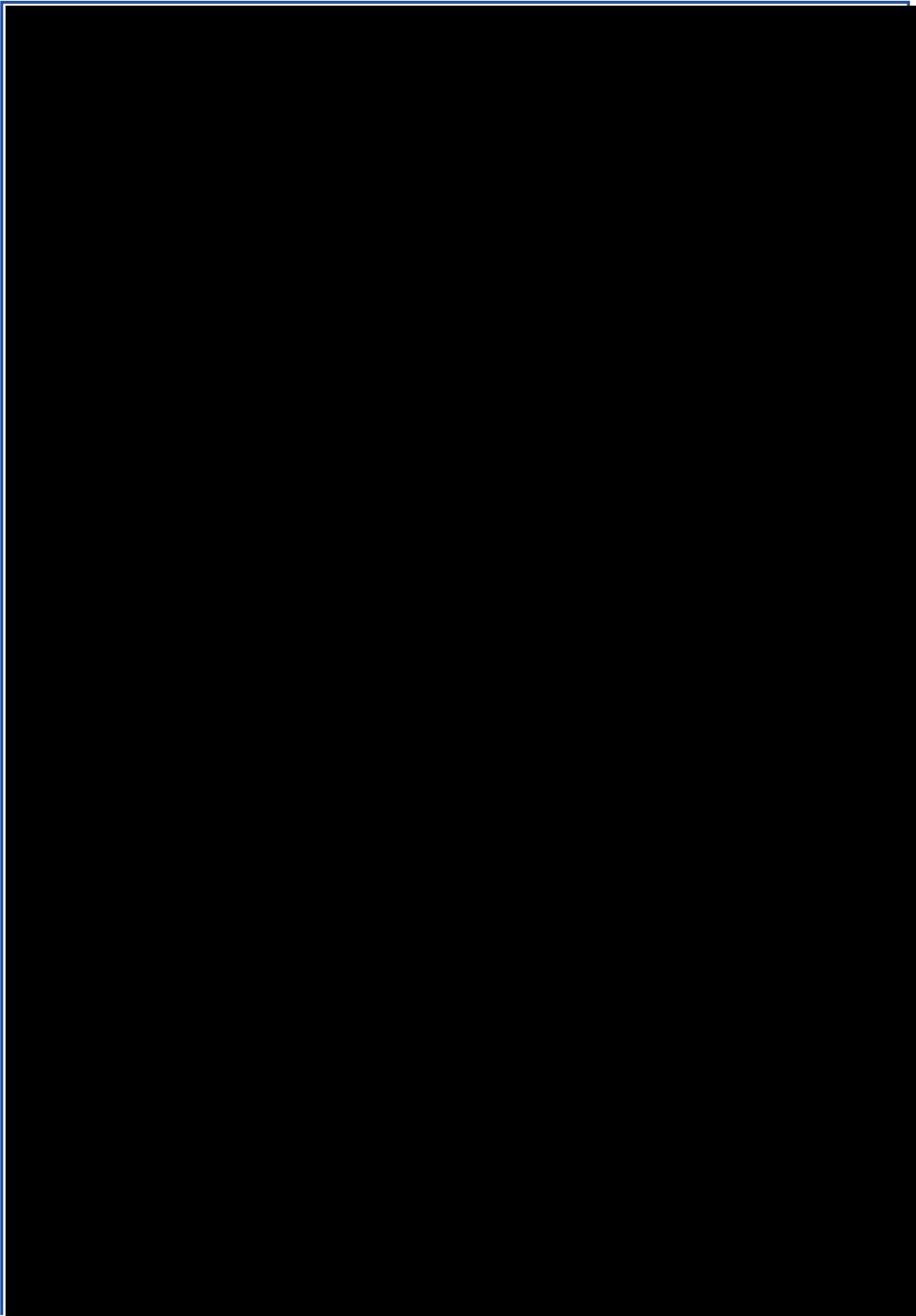


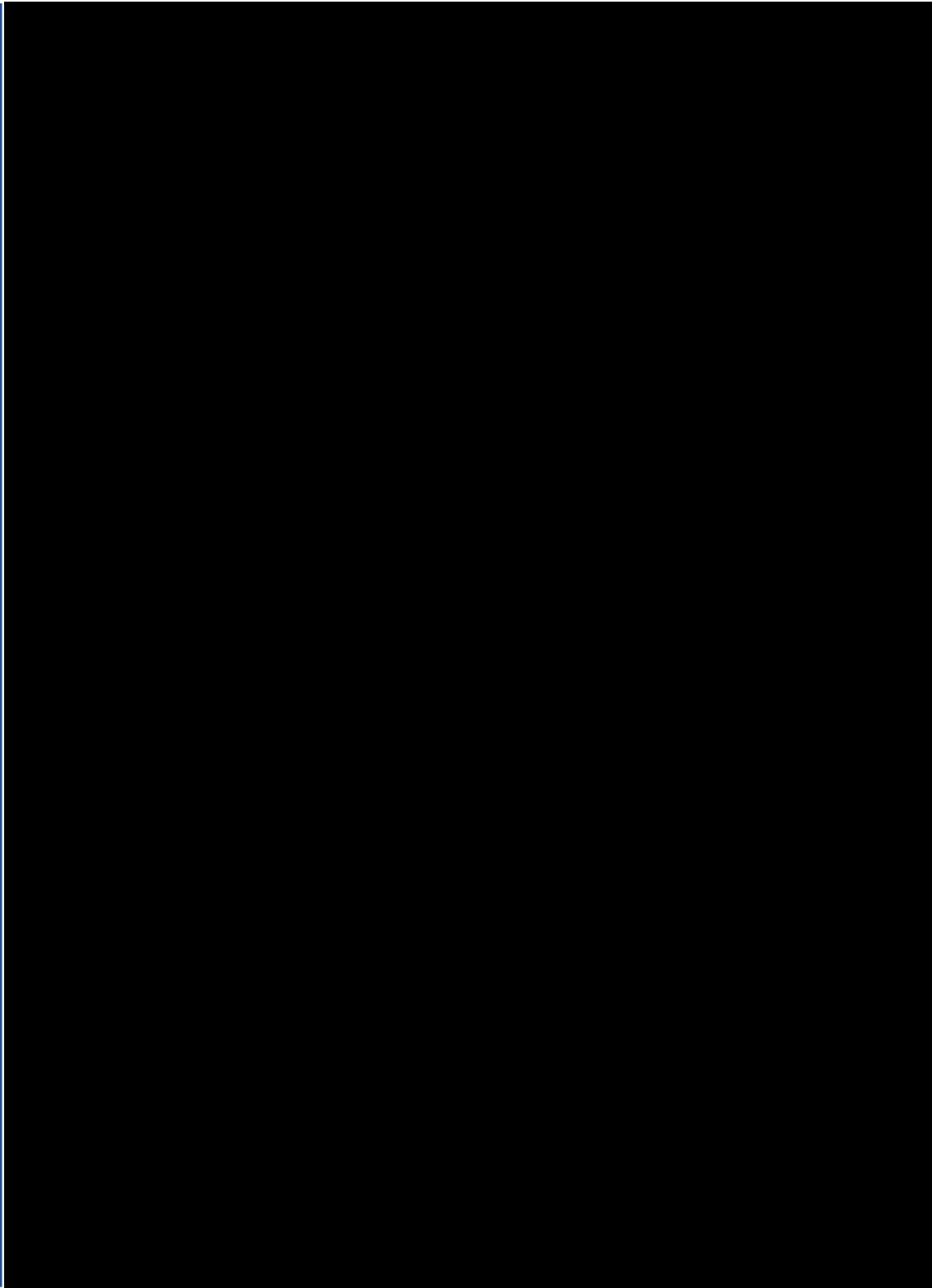


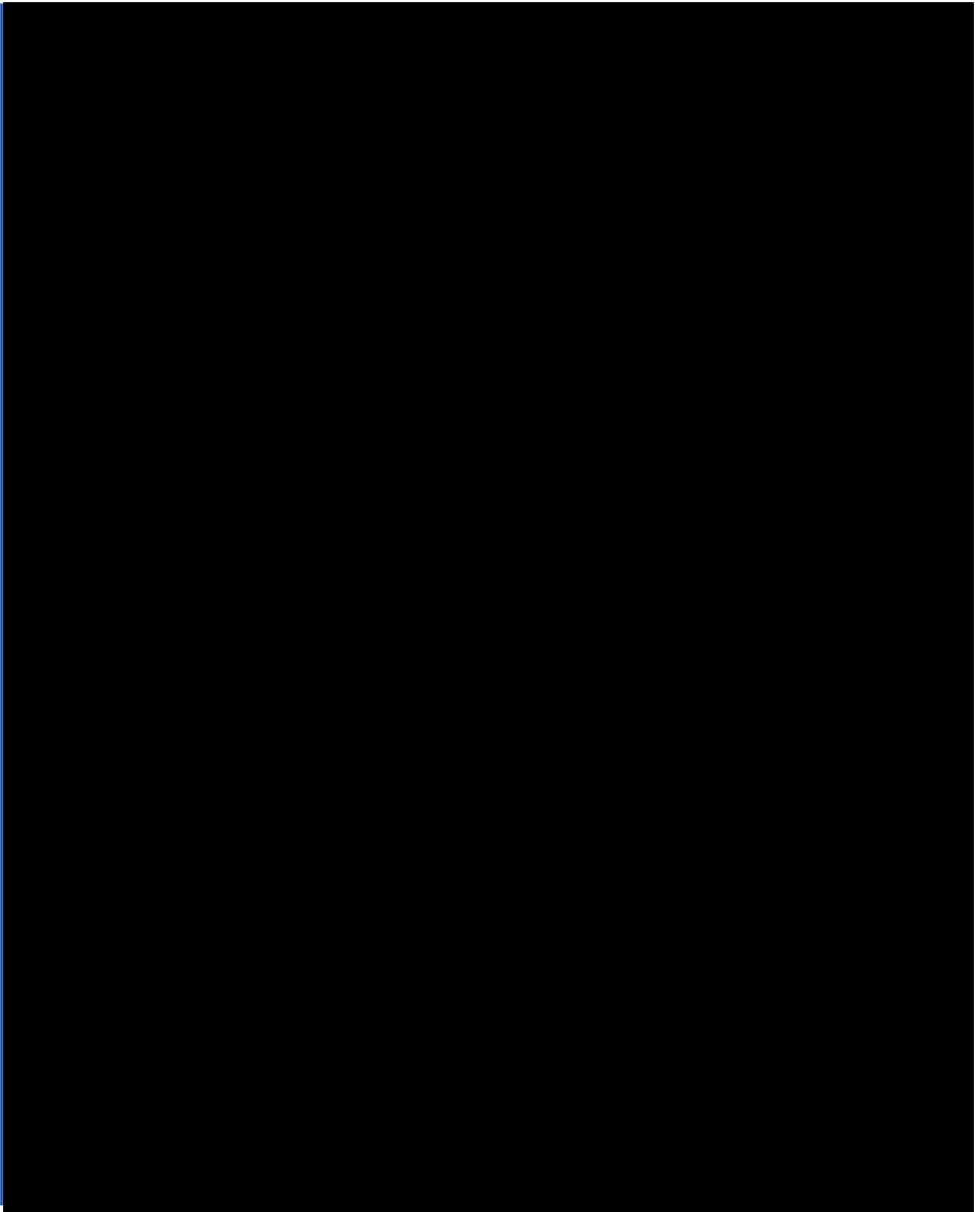


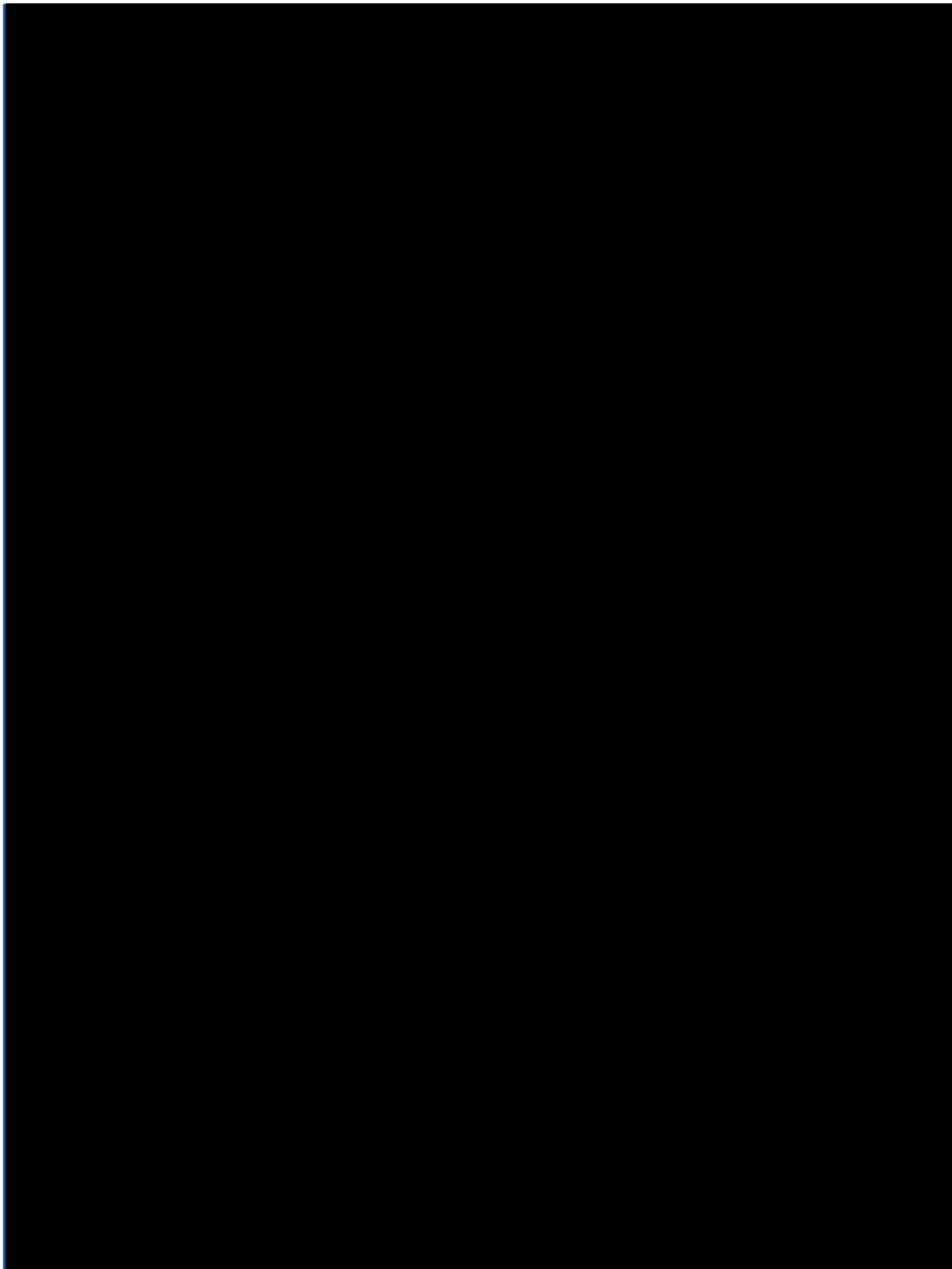


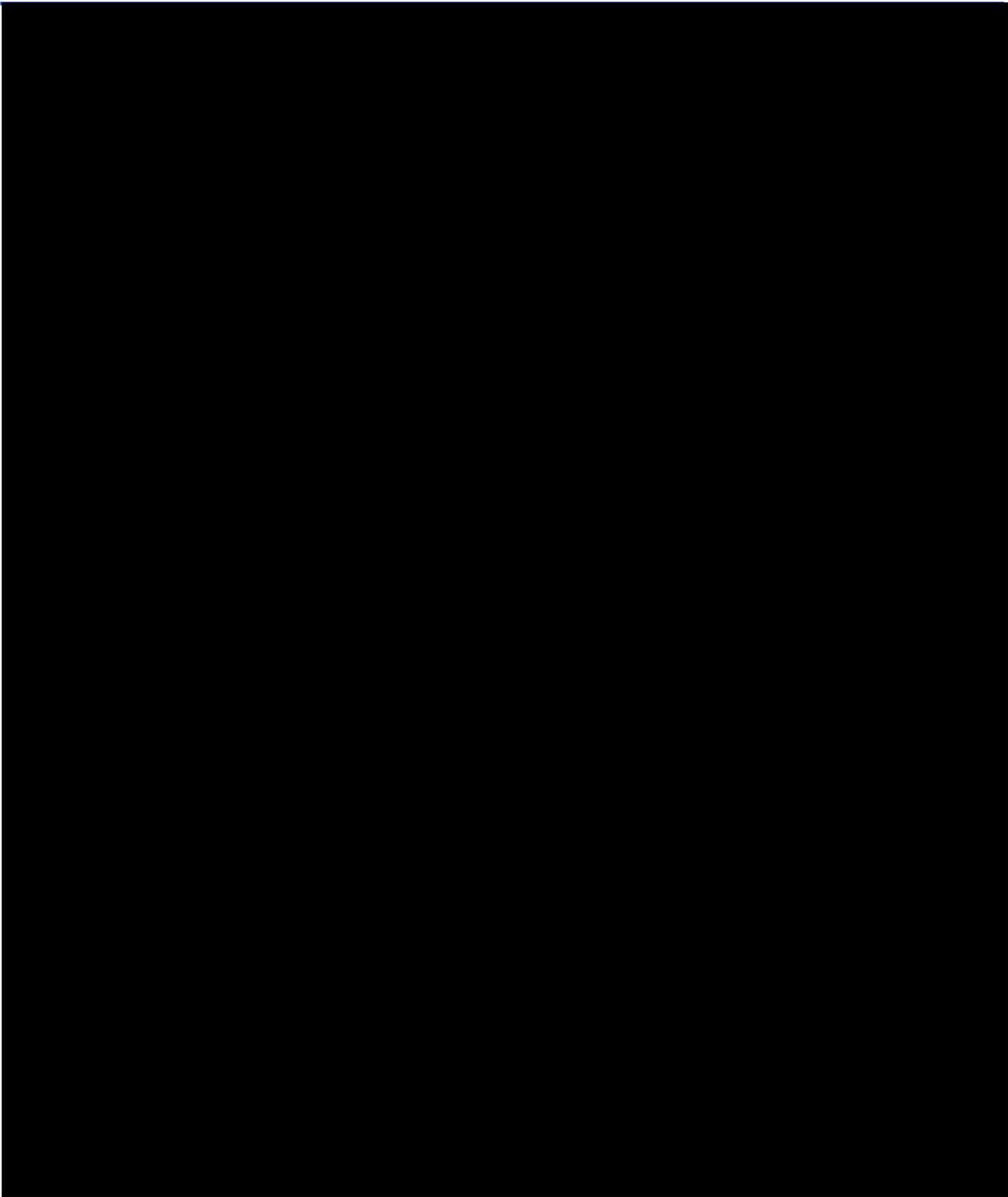


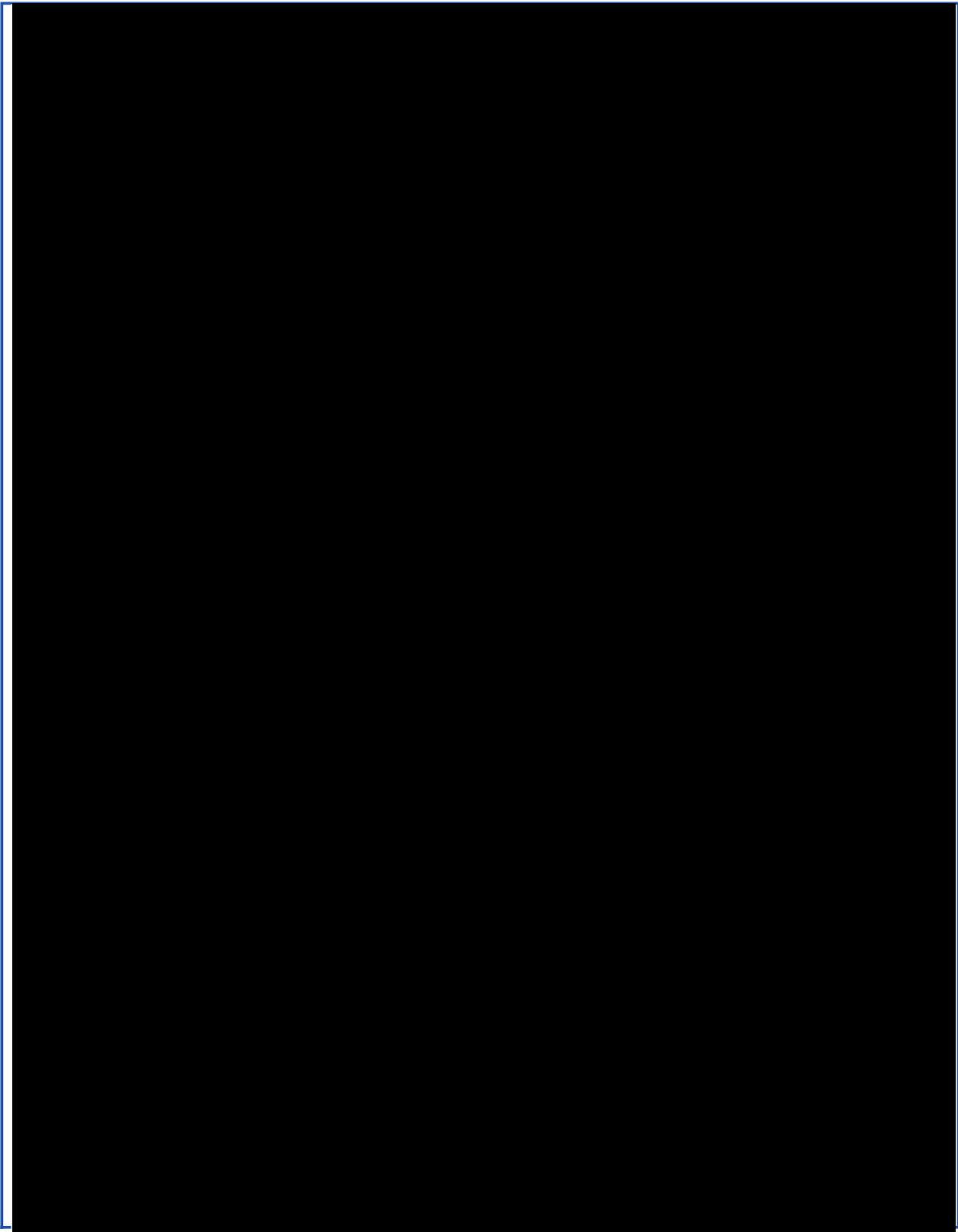


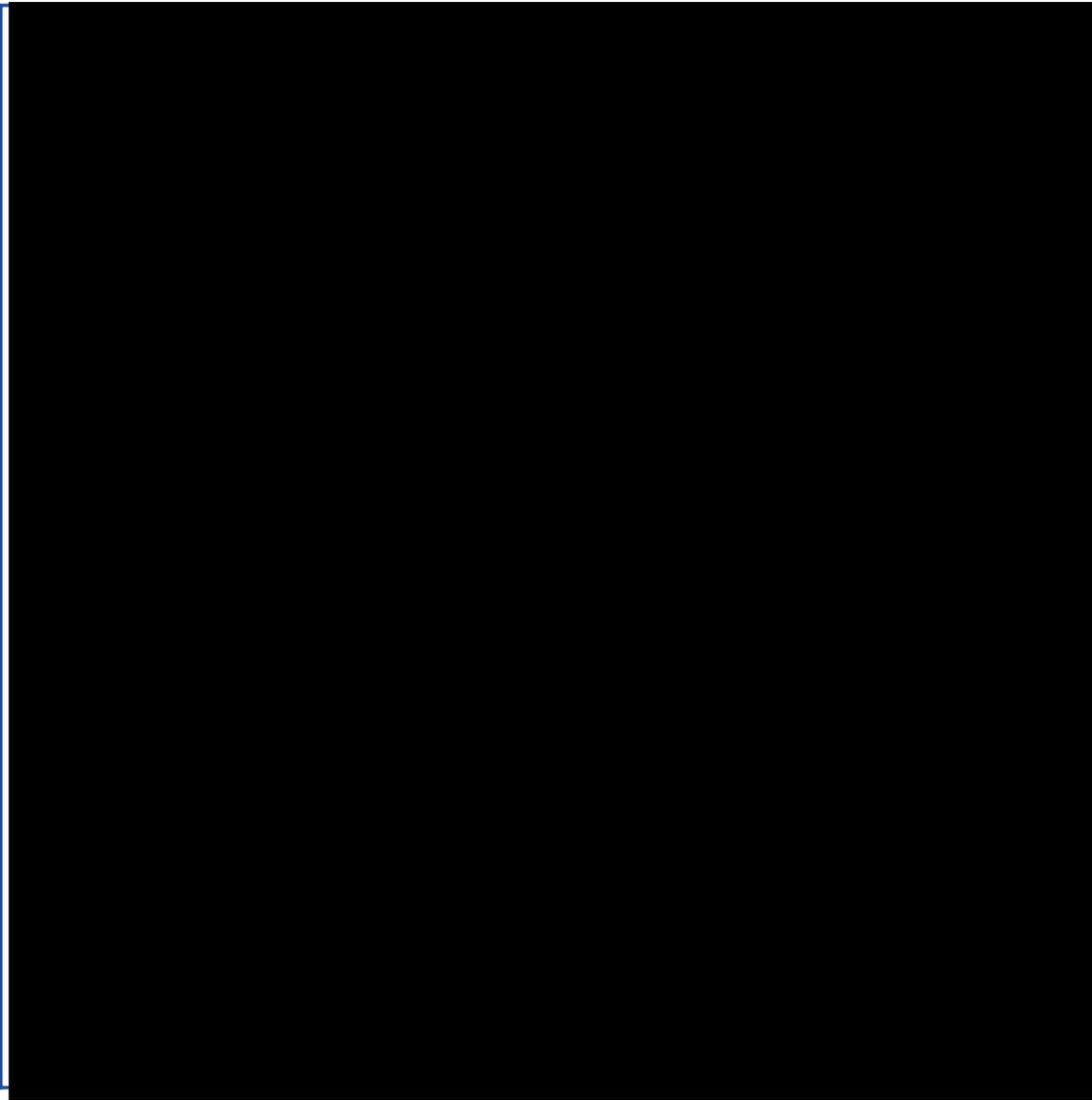


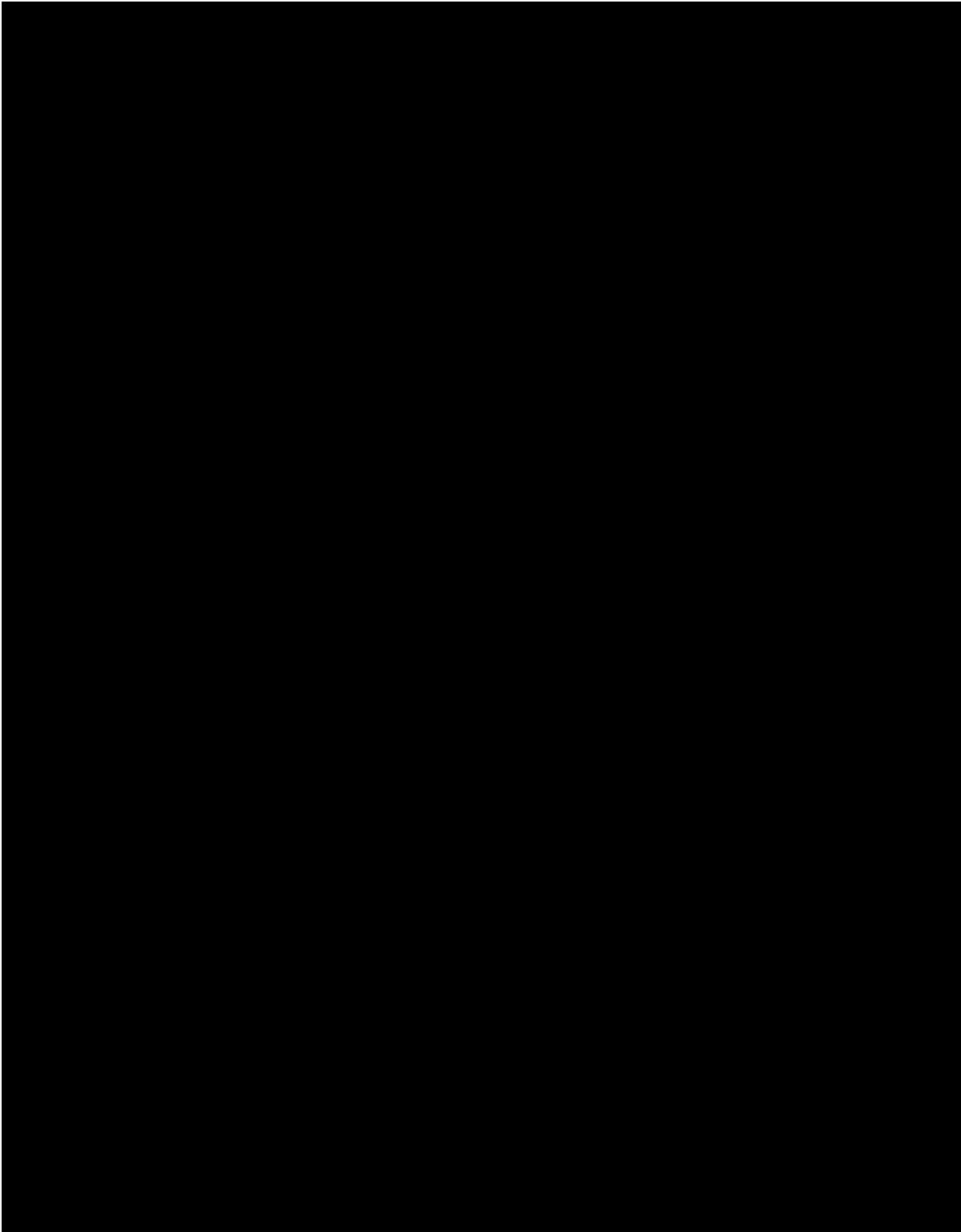


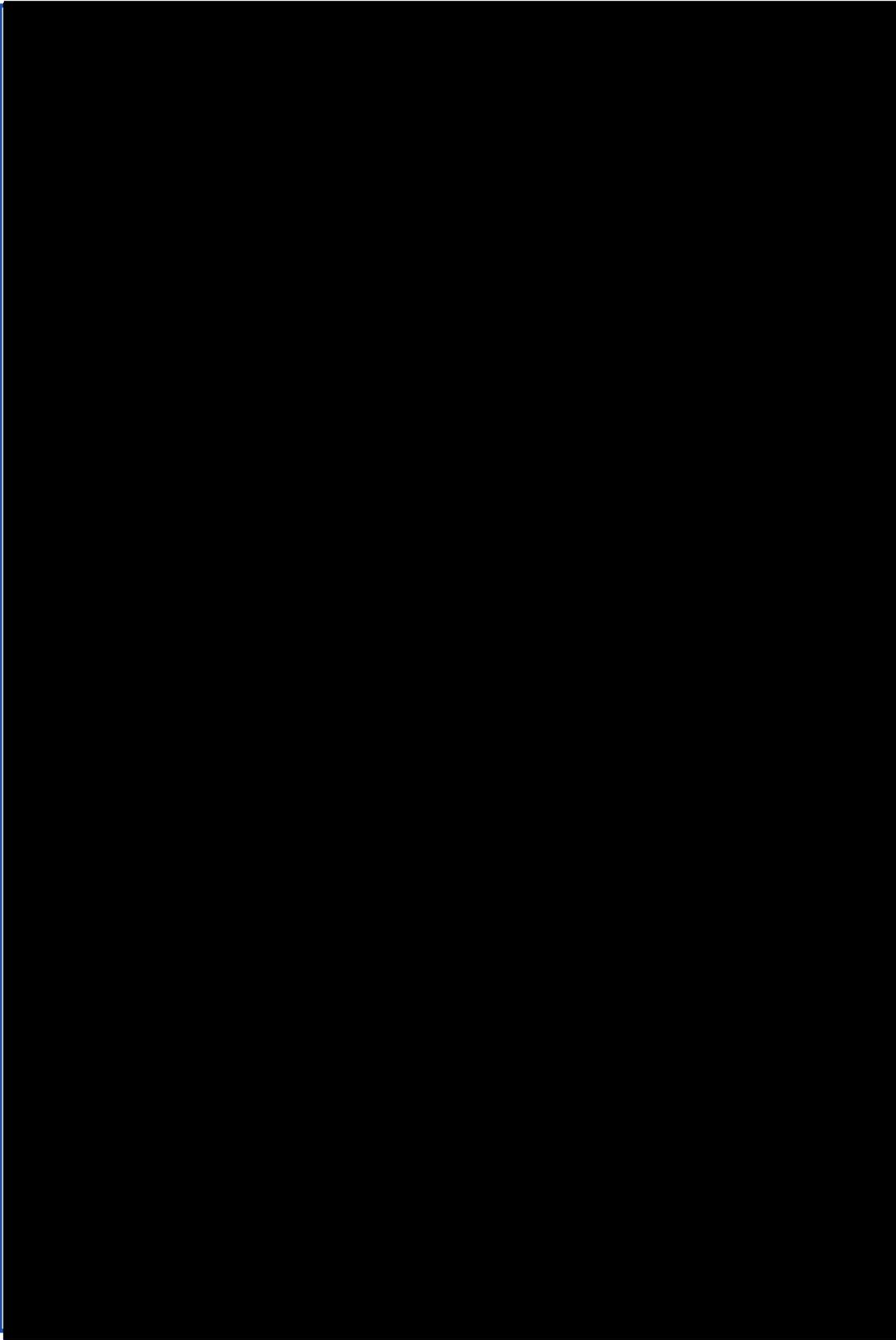












**SCHEDULE 13**  
**DATA PROTECTION APPENDICES**

**Appendix 1**  
**Processing Activities**

**Controller**

- Bank

**Processor**

- Contractor

**Subject matter of processing**

- To enable the parties to fulfil their obligations under the Agreement in particular the Contractor shall access personal data [REDACTED] on behalf of the Bank on read only basis for Maintenance Services purpose.

**Nature and purpose of processing**

- To enable the Contractor to fulfil their obligations under this Agreement, the Bank may be a requirement to share personal data of (in rare circumstances) the Bank's participants. [REDACTED]

**Duration of processing**

- Six months following the Effective Date in accordance with clause 1.2.3 of the Boilerplate terms.

**Categories of personal data**

- Names

**Special categories of personal data (if appropriate)**

- (Not applicable)

**Data subjects**

- Bank participants

## **Appendix 2**

### **Data protection officer**

Designated individual with responsibility for data protection and privacy:

**Name**

Data Protection Officer

**Contact Number**

020 3461 4444

**Company Address**

Bank of England  
Threadneedle Street  
London  
EC2R 8AH

### **Appendix 3**

#### **Description of the technical and organisational security measures**

The minimum appropriate measures as set out in Clause A1.2.7 (Data Protection) of Schedule 9 (Boilerplate terms) and Schedule 10 (Environments and Data Security Requirements).”

