

Schedule 18 - Exit

Definitions

"Additional Exit Assistance" means:

- (a) the provision of Exit Assistance by JV Co pursuant to this Schedule 18 which requires additional activity to be provided by JV Co over and above Core Exit Assistance; and
- (b) activity expressly referred to as Additional Exit Assistance pursuant to this Schedule 18;

"Additional Exit Assistance Commencement Date" shall in respect of an Exit be the date ascertained in accordance with paragraph 2.4 of this Schedule;

"Core Exit Assistance" means the collection, maintenance and provision of Exit related information by JV Co pursuant to this Agreement and assistance which is otherwise expressly referred to as Core Exit Assistance pursuant to this Schedule 18;

"Exit" shall mean any of the following:

- a termination of one or more Service Line; or
- expiry or termination of this Agreement in accordance with its terms,

so that there may be more than one Exit in respect of this Agreement and each Exit shall have its own Exit Period;

"Exit Assistance" means the services, responsibilities and obligations which will be undertaken by JV Co pursuant to this Schedule and/or the Exit Management Plan for the time being applicable to facilitate the smooth transfer of all or part of the Services from the JV Co to the Authority and/or to a Future Provider and which shall at least be sufficient to comply with the requirements of this Agreement (including without limitation this Schedule and clauses 25 and 55) including Core Exit Assistance and Additional Exit Assistance;

"Exit Assistance Completion Date" shall in respect of an Exit be the date ascertained in accordance with paragraph 2.5 of this Schedule;

"Exiting Employees" means any employee who transfers to the Authority or Future Provider by virtue of the operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) of United Kingdom as a consequence of the termination of the provision of all or some of the Services;

"Exit Management Plan" means the plan to be developed in accordance with paragraphs 2.1 and 3;

"Exit Objectives" has the meaning given in paragraph 1.3 to this Schedule;

"Exit Period" means the period between the Additional Exit Assistance Commencement Date and the Exit Assistance Completion Date in respect of each Exit.

1 Purpose and Objectives

1.1 Core Exit Assistance shall be deemed to form part of the Services.

1.2 This Schedule is in addition to and not in substitution for any other obligation on the JV Co under this Agreement or Law. In the event of any conflict, discrepancy or ambiguity the requirements of this Schedule will take precedence (and in the event of any conflict or discrepancy between:

- (i) Paragraphs 1 and 2; and
- (ii) Any other provision of this Schedule

then Paragraphs 1 and 2 shall take precedence.

1.3 The Exit Objectives are the principles to be used in securing of arrangements for (including the processes to be applied in respect of) the transition of the Services to the Replacement Services or any part thereof in connection with an Exit such that:

- (a) It allows for the smooth transfer of the delivery of the services comprised in the Services from the JV Co to the Authority and/or any Future Provider and for this purpose a smooth transfer is one in respect of which:
 - (i) it is properly planned and organised such that interruption and disruption of the Services to the Authority and other JV Co Customers is minimised;
 - (ii) the arrangements facilitate the minimisation of the overall costs to the Authority, the JV Co and the Future Provider;
 - (iii) that so far as possible it should not be necessary for the Authority or the Future Provider acting reasonably to require any assistance from the JV Co following the Exit Period.

- (b) All relevant data belonging to the JV Co and required to deliver the Services is, to the extent possible, made available to the Authority and the Future Provider in a timely fashion and this shall constitute Core Exit Assistance.
- (c) Access to JV Co staff and premises is made available to the Authority and potential Future Providers to enable:-
 - (i) Interviews and discussions to provide details of the then current provisions of the Services;
 - (ii) Site surveys of facilities used to deliver Services
 - (iii) Staff interviews to assess skills and other personnel issues;
 - (iv) Due Diligence,and this shall constitute Core Exit Assistance.

2 General

- 2.1 The detailed nature, level, timing and resourcing of the Exit Assistance to be provided by both Parties will be set out in a plan which shall be prepared and developed by the JVCo in accordance with paragraph 3 of this Schedule.
- 2.2 The JVCo shall in compliance with the Contract Standards and using its reasonable endeavours ensure that the provision of Exit Assistance shall not have any adverse effect on the rest of the Services and/or the Service Levels. In order to support achievement of this obligation the JVCo shall, at the commencement of each period of Additional Exit Assistance (as more specifically described in Paragraph 2.3 below), appoint a Senior Member of Staff as appropriate from within the JV Co and appropriately skilled and resourced programme team from within the existing JVCo resources used to provide the Services (to be approved by the Authority) to manage all aspects of Exit Assistance.
- 2.3 The Authority will provide a senior member of staff to act as the interface between JV Co and the Authority and the Future Provider(s) with authorisation to act on behalf of the Authority in all matters relating to the transition of the Service, as well as any additional resource reasonably required to enable the parties to meet the following objectives (the "Exit Objectives"):

- (a) Core Exit Assistance shall be provided by JV Co at its cost as part of the Unitary Charge.
- (b) Where JV Co can provide Additional Exit Assistance within existing resources and without redeploying JV Co staff it will do so at its cost as part of the Unitary Charge.
- (c) Where Additional Exit Assistance requires JV Co staff engaged in the provision of the Services to be redeployed JV Co will consult and agree with the Authority such redeployment which shall be at no additional cost to the Authority other than where additional overtime or reasonably incurred expenses become payable as a result of such redeployment which shall be payable by the Authority.
- (d) Where the parties reasonably agree that any redeployment of JV Co staff to carry out Additional Exit Assistance will have a demonstrable and identifiable adverse effect on JV Co's ability to meet specific KPI's and SPI's such KPI's and SPI's shall be assessed to have been met for the purposes of calculating any Services Credits, unless such staff are replaced at the Authority's cost.

2.4 The Contractor shall provide Core Exit Assistance throughout the Contract Period and Exit Period. The date(s) from which the JVCo shall provide Additional Exit Assistance (the "Additional Exit Assistance Commencement Date") shall be:

- (a) the date(s) (if any) of any valid notice to terminate this MSDC or any part of the Services;
- (b) in the absence of a valid notice to terminate this MSDC being served before such date, the date which is eighteen (18) months prior to the expiry of this MSDC;

2.5 Subject to Paragraph 2.6, the earliest date on which Exit Assistance in respect of an Exit shall end (the "Exit Assistance Completion Date") shall be:

- (a) in the event that Exit results from a notice to terminate the MSDC pursuant to clauses 49, 50 or 53.2 the date which is 12 months from the date of the notice to terminate;

- (b) in the event that Exit results from a notice to terminate a part of the Services pursuant to clause 51 the date which is 12 months from the date of the notice of termination;
- (c) in the event that Exit results from a notice to terminate a part of the Services pursuant to clause 48 the date which is 3 months after the Service Line has terminated
- (d) in the event that Exit results from a notice to terminate this MSDC in accordance with Clause 48 the date which is 3 months after the MSDC terminates
- (e) in the event that Exit results from a notice to terminate the MSDC pursuant to paragraph 8.3 of Schedule 28 (Benchmarking) the date which is 12 months from the date of the notice to terminate;
- (f) in the event that Exit results from a notice to terminate a part of the Services pursuant to paragraph 8.3 of Schedule 28 (Benchmarking) the date which is 12 months from the date of the notice of termination.
- (g) in the event of expiry of this MSDC the date which is 3 months after its expiry; and

2.6 Notwithstanding the provisions of Paragraph 2.5 the Authority may require the JVCo to extend the period of Exit Assistance in which case the Exit Period shall be extended in accordance with such requirement and the Exit Management Plan shall be amended accordingly and shall be subject to the provisions of Schedule 14 (Change Control) of this Agreement.

2.7 In the event that during a period of Exit Assistance any other Exit Assistance triggers arise (giving rise to a further Additional Exit Assistance Commencement Date(s) and hence parallel running of periods of Additional Exit Assistance) the JVCo shall notify the Authority of any conflicts which arise relating to implementation of Additional Exit Assistance in the different circumstances and the Parties shall discuss in good faith how any conflicts should be resolved.

3 Exit Management Plan

3.1 Appendix A to this Schedule sets out a template indicating the structure and minimum requirements to be addressed in detail in the Exit Management Plan. The JV Co shall

develop a draft Exit Management Plan in accordance with the template so that it comprehensively deals with each of the requirements with the intention that the Exit Management Plan should meet or exceed the Exit Objectives and shall deliver the completed draft to the Authority no later than twelve (12) months after the Agreement Date.

- 3.2 The Authority shall either approve the draft Exit Management Plan or it shall respond with objections and/or comments on the draft Exit Management Plan within 20 Business Days of its receipt by the Authority pursuant to paragraph 3.1. In circumstances where the Authority has responded with comments and/or objections, JV Co shall address all such objections and/or comments in a revised draft Exit Management Plan, which it shall submit to the Authority within 20 Business Days of JV Co's receipt of the Authority's comments whereupon the Authority shall have the same rights in respect of that submission as it had in respect of the draft Exit Management Plan delivered pursuant to paragraph 3.1. When the Authority has approved the draft Exit Management Plan (or revised draft Exit Management Plan as the case may be) that shall become the Exit Management Plan and JV Co shall implement it as and when appropriate.
- 3.3 In the event of failure by the Authority to provide any response in accordance with paragraph 3.2 the Authority shall be deemed to have approved the draft Exit Management Plan (or the revised draft Exit Management Plan as the case may be).
- 3.4 If the JV Co fails to provide a draft Exit Management Plan or revised Exit Plan that meets the requirements of paragraph 3.1 within the timescales specified therein, the Authority shall, at JV Co's cost, be entitled to obtain such reasonable consulting advice as it may require in order to develop an Exit Management Plan which meets the requirements of paragraph 3.1.
- 3.5 No approval of the Exit Management Plan (whether deemed or actual) nor any determination pursuant to paragraph 3.4 shall limit, restrict or otherwise prejudice the rights and entitlements of the Authority under or the obligations of the JV Co to comply with the other provisions of this Agreement.
- 3.6 The agreed or determined Exit Management Plan shall be reviewed annually by the Parties (and, if necessary, updated) as follows:
- (a) if so requested by the Authority, within one (1) month of each annual review;

- (b) within one (1) month of each Additional Exit Assistance Commencement Date or such other period if agreed between the Parties; and
 - (c) unless agreed otherwise, quarterly during each Exit Period.
- 3.7 Either Party may request changes to the Exit Management Plan at any other time.
- 3.8 All requests for changes to the Exit Management Plan will be dealt with in accordance with the provisions of Schedule 14 (Change Control) to this Agreement.
- 3.9 JV Co's costs and expenses incurred in developing and updating the Exit Management Plan are included within the Payment and no additional charges will be payable by the Authority in relation to development or updating of the Exit Management Plan which shall be Core Exit Assistance.
- 3.10 Subject to Paragraph 3.11, and the Exit Objectives, for each period of Exit Assistance the JV Co shall bear its own costs and expenses of implementing (or procuring the implementation) of the tasks and obligations referred to or specified in the Exit Management Plan.
- 3.11 In the event that Additional Exit Assistance is required by the Authority to be undertaken by JV Co during the Exit Period, which are not specified or referred to in the Exit Management Plan for the time being (which has been approved or determined), which the JV Co is not or could not otherwise be required to perform in order to comply with its responsibilities under this Agreement and which is not otherwise defined as Core Exit Assistance, or in the event that any Exit Period is extended in accordance with Paragraph 2.6 or 4.4, the charges payable in respect of such additional tasks and obligations shall be determined in accordance with the Change Control Procedure, based on the rates set out and the principles specified in Schedule 4.

4 Assistance during the exit period

- 4.1 During the Contract Period the JVCo shall maintain up to date information about the Services which are to be terminated or expire and the processes used by the JVCo to provide the Services to ensure it complies with the terms of this Schedule and the Agreement and this shall constitute Core Exit Assistance.
- 4.2 Having regard to clause 25 of this Agreement, during each Exit Period the JVCo shall co-operate fully and in good faith with the Authority (and as applicable the Future Provider or prospective Future Provider and provide reasonable exit assistance within

its existing resources which shall constitute Core Exit Assistance. Such Core Exit Assistance shall include (without limitation) the provision of:

- (a) information held by the JVCo which describes the nature of the relevant Services and how such Services are or have been provided by the JVCo and/or any Sub-Contractor together with data, information and documentation reasonably required for the operation of the Services. Such information shall include:
 - (i) where permitted by Law, an inventory of the Authority Data in the JVCo's possession or control;
 - (ii) details of the Services, including:
 - (A) details of the applications portfolio being supported as part of the Services;
 - (B) details of and information relating to Transformation Projects and their status;
 - (C) details of the actual workload in respect of the Services for the twelve (12) month period prior to the notice to terminate or the expiry of the Term (as appropriate) together with relevant projections of workload to the end of the relevant Exit Period;
 - (D) details of the general approach adopted by the JVCo to deliver statutory and other functions under the Agreement and the reporting thereof; and
 - (E) a copy of all risk registers used by the JVCo in connection with the Services;
 - (iii) details of high level processes and procedures (manually and electronically managed) used in respect of the Services; and
 - (iv) any other information reasonably required by the Authority which is pertinent to the termination or expiry of the Services, tendering for services with which the Authority may intend to replace the whole or any part or parts of the Services (the "Replacement Services") and/or the performance of any related due diligence,

- (b) details of the personnel who are involved, on a full or part-time basis, in the provision of the Services, excluding Seconded Employees, such details, subject to relevant provisions of the DPA governing the use, disclosure or processing of personal data, to include for each person the following:-
 - (i) their terms and conditions of employment;
 - (ii) their current remuneration and benefits and identifying the remuneration and benefits to which he/she would be entitled at or on the Service Transfer Date
 - (iii) their age, date of commencement of employment and length of continuous service;
 - (iv) any contractual period(s) of notice;
 - (v) specific information required to deliver Statutory appointments and
 - (vi) any outstanding or known claims or potential liabilities.
- (c) a list providing full details of all third party contracts entered into by the JVCo and/or JV Co Related Party which relate to the provision of the Services (including without limitation supplies and/or services received by JV Co);
- (d) a list of all relevant Intellectual Property used by the JVCo and/or JV Co Related Party in the provision of the Services, detailing ownership of the relevant rights and any restrictions or conditions applying to their use;
- (e) a list of all relevant Software used by the JVCo and/or JV Co Related Party in the provision of the Services detailing:
 - (i) who owns the relevant Software;
 - (ii) the licence terms applicable to the use of the Software; and
 - (iii) whether it is commissioned Software or otherwise commercially available;
- (f) a list of all the assets used by the JVCo and/or any JV Co Related Party in the provision of the Services detailing:-

- (i) the value of the assets (at Net Book Value ascertained in accordance with Schedule 10);
- (ii) the purchase price and date of purchase of the assets;
- (iii) the level of depreciation of the assets;
- (iv) the location of the assets;
- (v) whether the assets are subject to any lease or financing arrangements and a summary of the terms of the leases;
- (vi) who owns the assets in accordance with the requirements of this Agreement;
- (vii) whether the assets are used exclusively in the provision of the Services; and
- (g) such other information as the Parties may reasonably agree necessary to ensure a seamless transfer of the Services on the relevant Services Transfer Date to any Future Provider and/or the Authority and otherwise achieve the Exit Objectives;

and so that each list or other information supplied shall at least be to a level which is detailed enough to enable structured planning and a properly organised transition, shall, if reasonably requested by the Authority, be accompanied by supporting documentation required to verify such data.

To the extent that the JVCo demonstrates to the Authority that the information, details and/or lists required to be provided under this Paragraph 4.2 have been presented to the Authority in the format required in accordance with this Schedule 18, the JVCo shall not be required to provide such relevant information, details and/or lists in any other form

- 4.3 During each Exit Period, the information, details and lists referred to in Paragraph 4.2 shall be provided by the JVCo as soon as practicable but in any event within one (1) month of the date of the JVCo's receipt of the Authority's request or a later date if agreed by the Parties. Any updates shall be provided by the JVCo as soon as practicable and in any event within one (1) month of any further request from the Authority or later date if agreed by the Parties. Where any such information, details and lists have been provided, the JVCo shall, as soon as practicable:

- (a) inform the Authority of any material change to such information, details and lists after becoming aware of any such change; and
 - (b) use reasonable efforts to clarify any matter or issue on which clarification is reasonably requested by the Authority and/or any Future Provider.
- 4.4 Upon selection of any Future Provider the Authority, the JVCo and such Future Provider will review the Exit Management Plan and agree any required changes to be made to the plan, having regard to the methods, processes and strategy to be used by the Future Provider for transfer of responsibility of the relevant Services. Such changes will be subject to the Change Control Procedure and shall constitute Additional Exit Assistance.
- 4.5 The Authority may in connection with a termination of this Agreement or termination of a Service Line wish JV Co to complete or continue delivering one or more parts of the Services (the "**Retained Service Lines**") after the relevant date of the termination (the "Relevant Termination Date"). If so, the JVCo shall complete or continue to deliver the Retained Service Lines (as the case may be) for such period as agreed with the Authority, on the same terms (or such other terms as may be agreed by the Authority) on which the JVCo carried out the relevant Service or part or parts thereof comprised in the Retained Service Lines immediately prior to the relevant Exit Assistance Commencement Date. In no event shall the JVCo be obliged to provide such Retained Service Lines for more than 3 months after the Relevant Termination Date. This activity shall constitute Additional Exit Assistance.
- 4.6 The JVCo shall within five (5) Business Days of the relevant Exit Assistance Commencement Date appoint an exit manager ("JV Co Exit Manager") from within the existing JVCo resources used to deliver the Services to manage the provision of Exit Assistance. This activity shall constitute Additional Exit Assistance. The Authority shall appoint its own exit manager ("Authority Exit Manager") to facilitate and supervise the JVCo's provision of Exit Assistance. The provisions of the Key Individuals Schedule shall apply in respect of the JVCo's Exit Manager and the Parties shall update the list of Key Individuals accordingly
- 4.7 The JVCo shall in compliance with the Contract Standard (including using reasonable endeavours) provide the Exit Assistance in accordance with the Exit Management Plan (including without limitation any timetable or programme(s) set out therein.

- 4.8 During each Exit Period, the JVCo shall provide progress reports to the Authority (at frequencies agreed and set out in the Exit Management Plan or as otherwise reasonably as agreed by the parties from time to time) detailing progress (or any lack of progress) towards completion of all tasks referred to in the Exit Management Plan, by reference to any agreed timescales and/or milestones. This shall constitute Core Exit Assistance.
- 4.9 Within four (4) weeks after the relevant Exit Assistance Commencement Date, (or such other period as may be agreed by the Authority); the Authority may without being under any obligation to do so raise any comments/objections in respect of the lists provided pursuant to paragraph 4 including without limitation paragraphs 4.2.3 to 4.2.5 and the JV Co shall amend the lists to address such comments/observations accordingly or shall notify the Authority that it doesn't accept such comment/objection in which case the matter shall be referred to Dispute Resolution Procedure. Notwithstanding that the Authority shall not have raised any comment or objection the provision of the lists shall not in any way restrict or limit or in any other way prejudice the rights of the Authority under this Agreement.
- 4.10 During the Exit Period, the JVCo shall not (and shall use reasonable endeavours to procure that any Associated Company and any Sub-Contractors shall not), without the prior written consent of the Authority (such consent not to be unreasonably withheld or delayed):
- (a) terminate or transfer any of the contracts referred to in the list produced pursuant to paragraph 4.2(c) or any of the IPR referred to in the list produced pursuant to paragraph 4.2(d) (each as may be amended in accordance with this Schedule);
 - (b) extend the term, terminate or transfer any of the software licences referred to in the list produced pursuant to paragraph 4.2(e); or
 - (c) make any changes to any of the lists produced pursuant to paragraph 4.2 otherwise than in accordance with this Schedule;
- unless such changes as set out in 4.10(a)-4.10(c) are necessary for the provision of Services to other JV Co customers.
- 4.11 The provisions of the Agreement relating to Confidential Information shall apply equally to all information supplied to the Authority by JV Co pursuant to the Exit Assistance. Subject to the Future Provider having given the undertaking required in

accordance with clause 21.5, the Authority may direct that any such data, information and/or documentation shall be provided by the JVCo directly to the Future Provider

5 Non Solicitation

- 5.1 Both Parties undertake that, in the period of six (6) months after the relevant Services Transfer Date (or such other period as the Parties may agree in writing), they shall not solicit any individuals employed by the other Party, or any Future Provider to whom the relevant employee's employment has transferred on or following such date without the other Party's, and (in the case of a transfer to a Future Provider) any Future Provider's, prior written consent. This provision shall not prevent the JVCo from employing any JVCo Personnel who have made an unsolicited response to a general recruitment advertisement published by or on behalf of the JVCo

6 Transition to the Authority or a future provider

- 6.1 Within twenty-eight (28) days after the relevant Services Transfer Date, the JVCo shall, on request by the Authority, provide to the Authority and/or any Future Provider updated financial details for the relevant Exiting Employees. Such financial details shall include sums payable in respect of each Exiting Employee relating to the following:
- (a) Salary and benefits;
 - (b) PAYE and National Insurance contributions; and
 - (c) Miscellaneous costs (for example, training grants and staff loans).
- 6.2 The JVCo shall indemnify and keep the Authority and any Future Provider indemnified in accordance with Clauses 24 and 25 of the MSDC.
- 6.3 The Parties acknowledge and accept that it is their intention that the benefit to the Authority of the provisions in Paragraph 6.2 may be exercised (in whole or in part) by any Future Provider directly against the JV Co in addition to or substitution for the Authority (at the absolute discretion of the Authority), and the JVCo agrees to do all acts and things necessary to give effect to this paragraph 6.3 (including execution of all documents which may be required).
- 6.4 The JVCo will provide reasonable assistance to the Authority and any Future Provider in preparing any assets to be moved for the purposes of transferring them to and for the

use by the Authority and/or any Future Provider. The JVCo shall be responsible for its costs in providing such assistance.

- 6.5 On or prior to the Services Transfer Date, all Software owned by or licensed to the Authority shall be provided by the JVCo to the Authority. No later than five (5) Business Days after the Services Transfer Date the JVCo Exit Manager shall provide the Authority Exit Manager with written certification that all such Software has been provided to the Authority and that no copies (in any form) of the Software are held by the JVCo, any JV Co Staff, its agents, Sub-Contractors or other persons engaged at any time in relation to the delivery of the Services or any Associated Company .
- 6.6 On or prior to the relevant Services Transfer Date, all information, data and documentation (including, for the avoidance of doubt, all information, data and documentation relating to Exiting Employees, excluding the information detailed in paragraph 6.6(a) below, and all Authority Data) used by the JVCo in providing the Services shall be handed over by or on behalf of the JVCo to the Authority and/or the Future Provider (as the case may be. No later than five (5) Business Days after the Services Transfer Date the JVCo Exit Manager shall provide the Authority Exit Manager with written certification that all such information, data and documentation has been provided to the Authority and that no copies (in any form) of information, data and documentation are held by the JVCo, any Service Provider Personnel, its agents, Sub-Contractors or other persons engaged at any time in relation to the delivery of the Services. JVCo shall not enter into any Confidentiality Agreements which could impact on JVCo's obligations to deliver information under this Schedule without the prior written agreement of the Authority (not to be unreasonably withheld). If the PSP or any member of its Group other than JV Co enters into a group level agreement with a third party which brings tangible benefits to the Authority through JV Co's participation in such arrangement, JV Co will use reasonable endeavours to notify the Authority of any potential Confidentiality Agreements which may impact on JV Co's ability to provide information pursuant to this Schedule as a result of and at the time of such participation. If JV Co participates in such group level arrangements where such a Confidentiality Agreement exists it will use reasonable endeavours to secure the agreement of the relevant third party to the disclosure of information pursuant to this Schedule.
- (a) Within 30 Business Days of the Service Transfer Date, the JVCo will provide the outstanding documentation relating to Existing Employees as follows:

- (i) Personnel files
- (ii) P45's

6.7 The JVCo shall use reasonable endeavours to procure that any third party contracts in respect of any part of the Services which will be terminated (whether as part of a partial or total termination of the Agreement) or expire, and in respect of which the Authority shall have notified the JV Co in writing that it is required to be novated to the Authority and/or a Future Services Provider, shall be novated in favour of the Authority and/or the Future Provider (as the case may be):

- (a) JVCo shall when entering into any third party contract use all reasonable endeavours to ensure it contains a provision enabling JV Co together with the Authority to require the novation of the third party contract to the Authority or a Future Services Provider;
- (b) JV Co shall, prior to the relevant Services Transfer Date, use all reasonable endeavours to obtain any necessary third party consents or co-operation required for the novation of the Exclusive third party contracts and shall, in the case that the third party contracts does not contain a provision of the type referred to in paragraph 6.7(a), notify the Authority in writing of the cost thereof as soon as practicable; and
- (c) If the Authority confirms it still wishes to proceed with the novation of the Third Party Contact following notification of any costs pursuant to paragraph 6.7(b) then it will enforce the provision in the Third Party Contact or use all reasonable endeavours to have the novation agreement completed and delivered by the Third Party as soon as reasonably practicable. All costs, fees and expenses associated with a novation will be borne by the Authority.

6.8 During each Exit Period, the JVCo shall provide reasonable assistance to the Authority and/or the Future Provider or prospective Future Provider (as the Authority may require) in respect of any due diligence activities or transition activities necessary for the Authority and any Future Provider to understand the nature, scope and scale of the Services. Such assistance shall comprise:

- (a) Provision of knowledge and information reasonably required in respect of the Replacement Services which may, as appropriate, include answering to the Authority's and/or the Future Provider's satisfaction (as appropriate), within a reasonable time period, reasonable questions from the Authority and/or the

Future Provider regarding the general nature, delivery and management of the Services and in relation to any of the information to be provided under Paragraph 4.2;

- (b) Provision of reasonable access to the persons engaged in connection with the Services by the JV Co and/or its Key Sub Contractors to enable any due diligence and consultation in connection with the Services and/or any Exiting Employees; and
- (c) Provision of reasonable access to facilities used or occupied by JV Co in connection with the Services to enable any due diligence to be undertaken by the Authority or a Future Provider in connection with the transfer of the Services.
- (d) Without limitation to the generality of the above;
 - (i) in the event of any request for information from the Authority on its own behalf or on behalf of a Future Services Provider which would be most efficiently provided through interview or discussion then the JV Co shall identify the person or persons engaged by the JV Co or any of its Key Sub-Contractors who is or are most appropriate to provide such information and shall procure that they are made available to the Authority and/or the Future Provider as the case may be on reasonable notice. In any event
 - (ii) within two (2) weeks after the relevant Exit Assistance Commencement Date (or such other period agreed with the Authority) the JVCo shall identify any persons with whom it reasonably considers the Authority and/or the Future Provider should undertake discussions for the purpose of ensuring the smooth transfer of the Services (or where applicable any part thereof) and shall facilitate the Authority's (and any Future Provider's) reasonable access to and the co-operation of such persons on reasonable notice.
- (e) Each role identified in respect of the Exit Management Team [to be defined] and any role of a person identified pursuant to this paragraph 4.11 shall be regarded as a Key Personnel and the provisions of the Agreement relating to Key Personnel shall apply mutatis mutandis.

6.9 For the purpose of paragraph 3.2 the Authority may object or make comments if it reasonably consider that:

- (a) the Exit Management Plan will not reasonably ensure that the Exit Objectives or any other requirement of this Schedule will be satisfied;
- (b) any provision of the Exit Management Plan is not made in good faith and/or is not in accordance with Good Industry Practice and/or the Contract Standard;
- (c) nature, level, timing and resourcing of the Exit Assistance proposed in the Exit Management Plan is less than the Authority could reasonably expect the JV Co to provide in order to meet the Exit Objectives;
- (d) any provision of the Exit Management Plan does not satisfy, is inconsistent with and/or makes it less likely that any duty or obligation of JV Co, its Sub Contractors, Associated Companies and other persons engaged in the delivery of the Services would be satisfied (save in respect of Service Levels where such impact is the inevitable consequence of the requirements imposed under this Schedule);
- (e) any provision of the Exit Management Plan could materially increase the risk to the Authority incurring any liabilities, costs or expenses (present or future, actual or contingent) or materially increase the risk that the Authority might fail to satisfy any duty or obligation under this Agreement or any statutory duty;
- (f) any provision of the Exit Management Plan is otherwise prejudicial to the Authority and/or its rights and/or entitlements pursuant to this Agreement; or
- (g) where any provision of the Exit Management Plan could be amended, revised or rescheduled without material hardship to JV Co in such a way as would materially ameliorate any adverse effect of such provision on the Authority, the Services and/or the Exit Assistance and/or would increase the benefit of the Exit Assistance to the Authority;

6.10 For the purpose of paragraph 6.9(g) the JV Co would suffer material hardship if:

- (a) it would have to incur any expenditure; or
- (b) as a direct result of such amendment, revision or rescheduling it would be reasonably likely that the JV Co would suffer a Service Credit which it would not otherwise suffer and the Authority is unwilling to provide Relief in respect

of such failure caused by such amendment, revision or rescheduling, in which case the Authority will be responsible for all costs incurred by the JV Co.

6.11 For the purpose of paragraph 4.10 the Authority may object or make comments in respect of any list provided pursuant to this Schedule if it reasonably considers that:

- (a) the list does not comply with any other provision of this Agreement (including without limitation this Schedule) and/or would not satisfy the requirements of this Schedule or would prejudice achievement of the Exit Objectives;;
- (b) any item, data, information contained in the list is incomplete, inaccurate and/or not up to date;
- (c) any part of the lists is not made in good faith and/or is not in accordance with Good Industry Practice and/or the Contract Standard; or
- (d) any provision of the list is otherwise prejudicial to the Authority and/or its rights and/or entitlements pursuant to this Agreement.

Appendix 1

Outline Plan

APPENDIX – OUTLINE PLAN TEMPLATE

Outline Plan - Template

1 Introduction

- 1.1 This appendix outlines the minimum content, and structure, of the Exit Management Plan that will be developed by the JVCo no later than 12 months after Service Commencement Date. Subject to any variations permitted under this Schedule, the Exit Management Plan approved by the Authority will be executed by JVCo upon termination of any of the Services, termination or expiry of this Agreement or upon the Authority ceasing to use any or all of the Services, in accordance with the provisions of this Schedule18.

2 Objectives

- 2.1 The Exit Management Plan is intended to capture the activities that need to be performed by each Party under this Schedule to achieve the Exit Objectives but is without prejudice to and does not limit the obligations in relation to such activities to be performed in accordance with this Agreement.
- 2.2 The agreed Exit Management Plan shall be renewed and, if necessary, updated, in accordance with Paragraph 3 of this Schedule to ensure it reflects the then current status of this Agreement and the Services.
- 2.3 In complying with its obligations under this Schedule 18, each Party shall at all times act reasonably and in good faith,

3 Plan Content

The Exit Management Plan shall incorporate activities relating to:

3.1 Plan Management detailing:

- (a) The constitution of an Exit Plan Steering Committee, with members from JV Co and Authority to provide overall steering of the Exit Management Plan and to take responsibility for the direction, review and eventual close of the project.
- (b) Processes for sign off by the Authority of all Service Provider obligations under the Exit Management Plan.

- (c) For each of the Parties and, where appropriate, the Future Provider, an exit management team identifying specific roles and responsibilities at the individual level.
- (d) JVCo Exit team including the following roles and named representatives (in addition to the Exit Manager):
 - (i) Service Delivery Manager;
 - (ii) Human Resources Manager;
 - (iii) Solicitor/Legal representative;
 - (iv) Commercial Manager;
 - (v) Projects Manager.
- (e) Definition of Plan scope, required timelines and key milestones.
- (f) Arrangements for the development and implementation of an agreed communications programme, which shall support any reasonable requirements in respect of the Authority's internal publications
- (g) Identification of the tools to be used in development and maintenance of the Exit Plan, including provision for the production and frequency of:
 - (i) detailed activity list and Gantt chart;
 - (ii) checkpoint reports to provide detailed progress;
 - (iii) highlight reports to keep the Exit Plan Steering Committee informed of major issues;
 - (iv) other related deliverables detailed in each of the following sections.

3.2 Risks and Issues

- (a) Provision of a register of Exit risks and issues to be maintained throughout the lifetime of this Agreement, updated to address specific risks attendant in each specific exit situation.
- (b) Provision of outstanding actions lists relating to the Services (as at the Exit Assistance Commencement Date).

- (c) Provision of outstanding issue lists and risk logs relating to the Services (as at the Exit Assistance Commencement Date).
- (d) Current view of all actions, audit and plans (including costs) relating to resolution.

3.3 Transferring Staff

- (a) Identification of staff information in accordance with Paragraphs 4.2(b) and 4.3 of this Schedule and such other information as to staff or persons engaged in connection with the Services required in accordance with this Agreement and TUPE requirements.
- (b) Identification of staff involved in delivering the Services and who will or are likely to be transferred to the Authority or the Future Provider, or from the Authority to the JV Co in accordance with the TUPE requirements.
- (c) Arrangements for permitting members of JV Co Personnel to be interviewed by the Authority or the Future Provider, as appropriate.
- (d) Proposals for consultation with staff or their representatives (if appropriate).
- (e) Making staff available for any consultation reasonably required by the Authority or the Future Provider, as appropriate.
- (f) Processes for individual employee discussions.
- (g) Processes for providing reasonable information about skills contained within the workforce in so far as such information is required by the Authority or the Future Provider, as appropriate.
- (h) Provision of existing contracts / HR policies and practices communication to the Authority or the Future Provider, as appropriate and as set out in this Schedule 18.
- (i) Plans for transfer of employees and subcontractors.
- (j) Processes for issue of agreed transfer letters to staff.
- (k) Provision of information about holidays, company cars, medical arrangements etc.

- (l) Processes for agreed form of staff communications.
- (m) Arrangements for participation in pension transfer arrangements.
- (n) Arrangements for pension membership verification and transfer of funds.
- (o) Arrangements for administration of any pension plan transfer.
- (p) Processes for staff related post transfer actions required.
- (q) Provision of information about commitments with respect to on-going staff training

3.4 Transferring Assets and Premises

- (a) Details of Premises used for provision of Services that are not owned/licensed/leased by the Authority, and related access arrangements for Authority/Future Provider staff.
- (b) Plans and arrangements for vacating and/or transferring any building space, facilities and services, subject to any agreed property arrangements or site licences between the Authority and JV Co, including (but not limited to) the following:
 - (i) an accommodation plan;
 - (ii) a plan for vacating the premises;
- (c) Provision of a list of Assets in accordance with Paragraphs 4.2(f) and 4.3 of this Schedule and the provisions of Schedule 10 (Assets).
- (d) Provision by the Authority of a Preferred Assets List and the process for how changes may be made to such List.
- (e) Proposals for dealing with Assets not exclusively used in the Services.
- (f) Provision of details of Warranties relating to the JV Co Assets and proposals for the transfer of the benefit of such to the Authority or Future Provider (as the Authority may direct).
- (g) Process for payment of monies for any Assets or other materials to be purchased by the Authority and/or where appropriate the Future Provider.

- (h) Processes for procurement by Authority of Equivalent Assets.
- (i) Processes for removal of Assets by the Authority or Future Provider where such are located on JV Co's premises or those of any JV Co Related Party.

3.5 Logistics

- (a) Provision of support for transfer (where appropriate) from premises used by the JV Co or any JV Co Related Party in connection with provision of the Services into the replacement office infrastructure environments that will be used to provide the Replacement Services, including (but not limited to):
 - (i) communications facilities / networks;
 - (ii) hand over requirements;
 - (iii) systems access;
 - (iv) access to facilities.

The costs of such transfers to be borne by the Authority or Future Provider.

3.6 Services and Knowledge Transfer

- (a) Provision of information about the scope and operation of the Services solely to enable the transfer of operational responsibility from the JV Co to the Authority or the Future Provider.
- (b) Provision of Service management information including (but not limited to) measurements, logs and records etc, but excluding any commercially sensitive information.
- (c) In respect of a partial termination, provision of a revised description of the scope of the Services and Service Levels in respect of the Services remaining with JV Co.

3.7 Security

- (a) Process for reviewing the security processes and arrangements detailed in this Agreement as well as Authority or Future Provider requirements at the Exit Assistance Commencement Date.

- (b) Provision of information about existing security arrangements put in place in accordance with this Agreement.
- (c) Provision of information about existing security issues.
- (d) Processes for development and documentation of action recommendations.
- (e) Arrangements for transfer of security arrangements (with time-scales and responsibilities).
- (f) Processes for the delivery of the activities detailed in the implementation plan.
- (g) Processes for the removal of systems access for JV Co Personnel and others engaged by JV Co or any JV CO Related Party with the Services as necessary with transfer of access to the Authority and/or at the Authority's direction the Future Provider and its or their personnel.
- (h) Provision of lists of existing passwords and other security access provided to JV Co Personnel and others involved in the Services which needs to be retracted at the end of the Exit Period.
- (i) Arrangements to ensure on-going compliance with security policies during the Exit Period.

3.8 Technical Infrastructure

- (a) Proposals for handover of physical technical infrastructure.
- (b) Arrangements for the decommissioning of all infrastructure components which are subject to transfer and to make such infrastructure available for transfer.
- (c) Arrangements for the segregation of JVCo networks.
- (d) Arrangements for meetings with the Authority and (where applicable) the Future Provider to discuss transfer and take-on matters.
- (e) Provision of a full inventory of all components as managed by JV Co for the Authority.
- (f) Provision of a list of the locations at which Assets are located.

3.9 Intellectual Property

- (a) Provision of a list and descriptions of all Intellectual Property used by JV Co in accordance with Paragraphs 4.2(d) and 4.3 of this Schedule.
- (b) Provision of a list of Software used by JV Co in accordance with Paragraphs 4.2(e) and 4.3 of this Schedule
- (c) Processes for agreeing the IPR list and the Software list.
- (d) Processes for the provision of physical copies of Software on appropriate media.

3.10 Authority Data

- (a) Provision of live, backup copies and paper copies (as appropriate) of Authority Data resident on the Authority Systems, JV Co Systems or held by JV Co or JV Co Related Party.
- (b) Processes for the disposal of electronically held user data by logical file deletion.
- (c) Processes for the disposal of paper copies of the user data through secure disposal services or shredding.
- (d) Processes for the provision of certificate confirming secure disposal and removal of data from Service Provider systems identified in 3.10 (a) above.

3.11 Documentation

- (a) Processes for the identification and provision of all relevant documentation (including procedures and records) relating to the Services transferring to the Authority or the Future Provider.

3.12 Work In Progress

- (a) Processes for the identification and provision of a list of current work in progress which contains:
 - (i) description of the work;
 - (ii) relevant Project records and status reports;

- (iii) price to complete the Project;
- (iv) an estimate of the time to be taken to complete the work.
- (b) Arrangements for review and handover planning meetings with appropriate Authority representatives.
- (c) Processes for the preparation of an action plan detailing the activities for transition of agreed Projects and Services to the Authority or Future Provider.

3.13 Third party contracts

- (a) Processes for the identification of all third party contracts (including licences) in use in provision of the Services in accordance with Paragraph 4.2(c) of this Schedule.
- (b) Processes for notification to third parties of any relevant changes in the management or operation of the relevant contract, to the extent that this is needed to comply with a third party contract.
- (c) Process for agreeing the third party contracts list.
- (d) Provision of relevant contract documentation.
- (e) Provision of letters of consent for assignment or novation to be sent to relevant third party suppliers in relation to Exclusive third party contracts, Exclusive Software Licences and licences of Non-Exclusive Software.
- (f) Identification of any assignment/novation fees.
- (g) Delivery of a draft novation agreement to the Authority for approval.
- (h) Arrangement of, and participation in, assignment meetings with the Authority / Future Provider and third parties.

4 MISCELLANEOUS

- 4.1 Subject to the terms of the Agreement and of this Schedule 18, provision of such other information as the Authority may reasonably deem necessary .
- 4.2 Processes for updating all lists and information to be provided under the Exit Management Plan in accordance with Paragraph 4.3 of this Schedule.

- 4.3 Processes for certification of return of all relevant information documentation and Intellectual Property and Software.
- 4.4 Processes for the provision of assistance in connection with procurements that are in process during the Exit Assistance Period.
- 4.5 Provision of all relevant software and related information held on the Configuration Management System.
- 4.6 Details of any assumptions in relation to the delivery of the Emergency Management Plan.