**Framework Schedule 3 (Framework Prices)**

1. How Framework Prices are used to calculate Call-Off Charges
   1. The Framework Prices:
      1. will be used as the basis for the Charges (and are maximums that the Supplier may charge) under each Call-Off Contract; and
      2. cannot be increased except as in accordance with this Schedule.
   2. The Charges:
      1. shall be calculated in accordance with the terms of the Call-Off Contract and in particular in accordance with the terms of the Order Form;
      2. cannot be increased except as specifically permitted by the Call-Off Contract and in particular shall only be subject to Indexation where specifically stated in the Order Form; and
      3. shall not be impacted by any change to the Framework Prices.
   3. Any variation to the Charges payable under a Call-Off Contract must be agreed between the Supplier and the Buyer and implemented using the same procedure for altering Framework Prices in accordance with the provisions of this Framework Schedule 3.
2. **How Framework Prices are calculated**
   1. The pricing mechanisms and prices set out in the supplier commercial pricing document embedded within Annex 1 (“Supplier Commercial Pricing”) shall be available for use in calculation of Framework Prices in Call-Off Contracts.
3. **Are costs and expenses included in the Framework Prices**
   1. Except as expressly set out in Paragraph 4 below, or otherwise stated in the Order Form the Framework Prices shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:
      1. incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or
      2. costs incurred prior to the commencement of any Call-Off Contract.
4. **When the Supplier can ask to change the Framework Prices**
   1. The Framework Prices will be fixed for the first year following the Framework Contract Commencement Date (the date of expiry of such period is a "**Review Date**"). After this Framework Prices can only be adjusted on each following yearly anniversary (the date of each such anniversary is also a "**Review Date**").
   2. The Supplier shall give CCS at least three (3) Months' notice in writing prior to a Review Date where it wants to request an increase. If the Supplier does not give notice in time then it will only be able to request an increase prior to the next Review Date.
   3. Any notice requesting an increase shall include:
      1. a list of the Framework Prices to be reviewed;
      2. for each Framework Price under review, written evidence of the justification for the requested increase including:
         1. a breakdown of the profit and cost components that comprise the relevant Framework Price;
         2. details of the movement in the different identified cost components of the relevant Framework Price;
         3. reasons for the movement in the different identified cost components of the relevant Framework Price;
         4. evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
         5. evidence that the Supplier’s profit component of the relevant Framework Price is no greater than that applying to Framework Prices using the same pricing mechanism as at the Framework Start Date.
   4. CCS shall consider each request for a price increase. CCS may grant approval to an increase at its sole discretion.
   5. Where CCS approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as CCS may determine at its sole discretion and the Supplier Commercial Pricing shall be updated accordingly.
5. **Other events that allow the Supplier to change the Framework Prices**
   1. The Framework Prices can also be varied (and the Supplier Commercial Pricing will be updated accordingly) due to:
      1. a Specific Change in Law in accordance with Clause 27 *(Changing the Contract)* of the General Terms;
      2. a review in accordance with insurance requirements in Clause 16 *(Insurance)* of the General Terms;
      3. a benchmarking review in accordance with Call-Off Schedule 16 *(Benchmarking)*;
      4. a request from the Supplier, which it can make at any time, to decrease the Framework Prices; and
      5. indexation, where the Supplier Commercial Pricing states that a particular Framework Price or any component is “subject to Indexation” in which event Paragraph 6 below shall apply.
6. **When the Framework Prices are linked to inflation** 
   1. Where the Framework Charges are stated to be "subject to Indexation" in the Supplier Commercial Pricing they shall be adjusted in line with changes in the SPPI 6250770000 Administrative and Support (the **“Index”**) pursuant to Paragraph 6.4. All other costs, expenses, fees and charges shall not be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier.
   2. Any costs, expenses, fees or charges charged by the Supplier to the Buyer in respect of Supplier Assets or Buyer Assets (including capital costs and installation, maintenance and support costs) which are incurred by the Supplier prior to the relevant adjustment date but which remain to be recovered through the Charges shall not be subject to adjustment under this Paragraph 6 and shall not be included in the relevant amount or sum for the purposes of Paragraph 6.1.
   3. Framework Prices shall not be indexed during the first year following the Framework Contract Commencement Date.
   4. Where the Supplier Commercial Pricing states a Framework Price is subject to Indexation then it will be indexed on the date which is one year after the Framework Commencement Date to reflect the percentage change in the Index since the Framework Commencement Date. They shall be indexed on each following yearly anniversary to reflect the percentage change in the Index since the previous change.
   5. Where the Index:
      1. used to carry out an indexation calculation is updated (for example due to it being provisional) then the indexation calculation shall also be updated unless CCS and the Supplier agree otherwise;
      2. is no longer published, CCS and the Supplier shall agree an appropriate replacement index which shall cover to the maximum extent possible the same economic activities as the original index.

**Annex 1: Rates and Prices**

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