

SCHEDULE 13
INVOICING PROCEDURES
(Clause 6)

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SCHEDULE 13**INVOICING PROCEDURES****1 INTRODUCTION**

- 1.1 All invoices shall be exclusive of Value Added Tax with the Value Added Tax shown as a separate amount and the prevailing rate expressed in percentage terms. The total sum payable, inclusive of Value Added Tax, shall also be shown.

2 INVOICE STRUCTURE

- 2.1 The AUTHORITY and the CONTRACTOR shall, during the Transition Period, agree the precise format and content to be adopted in respect of invoices.

3 INVOICE SUBMISSION BY THE CONTRACTOR

- 3.1 The CONTRACTOR shall render monthly invoices to the AUTHORITY in relation to the Services performed. Fixed charges shall be invoiced within the month that the service has been delivered. Variable charges shall be invoiced in two (2) parts. The first Variable charge will be invoiced within the month in which the service has been delivered. The final variable charge for the remainder of the service delivered for that month shall be invoiced in arrears in the following month.

- 3.2 In the event that the AUTHORITY is entitled to claim Service Credits in accordance with Schedule 25, the AUTHORITY may deduct the value of the Service Credits from the Charges otherwise due, prior to making payment in respect of the Month in which such entitlement arose.

- 3.3 The CONTRACTOR shall provide all reasonably requested detailed information to the AUTHORITY at no extra cost to support the itemised invoice. This information shall be provided according to timescales and periodicity specified by the AUTHORITY. The details and format of this information shall be defined by the AUTHORITY in the Service Specification. The AUTHORITY shall give thirty (30) days prior notice, or such other reasonable periods as the parties may agree, of any change to the content or format of the information.

4 INVOICE PAYMENT BY THE AUTHORITY

- 4.1 Taking into account any Service Credits payable in accordance with the procedures set out in Schedule 25, the AUTHORITY shall validate each invoice in relation to the Services performed based on the information provided and on performance data provided by the CONTRACTOR or generated by the AUTHORITY.

- 4.2 The AUTHORITY shall make payment to the CONTRACTOR upon receipt of a valid invoice for Fixed Charges and the first Variable Charges each month, at the address specified on the invoice, within the same calendar month, except in circumstances outwith the control of the AUTHORITY.. All other invoices shall be paid within 10 days of the receipt of a valid invoice, except in circumstances outwith the control of the AUTHORITY . Whenever possible, the AUTHORITY shall make payment by electronic transfer of funds.

- 4.3 The AUTHORITY shall use its reasonable endeavours to notify the CONTRACTOR at the earliest opportunity of the reason for rejection of any invoice and at the latest within thirty (30) days of receipt of that invoice.

5 NOTIFIABLE COSTS

- 5.1 The indicative Notifiable Costs detailed in Appendix 4 of Schedule 12 shall be reconciled annually and the AUTHORITY shall invoice the CONTRACTOR for the actual Notifiable Costs.
- 5.2 On receipt of an invoice pursuant to Paragraph 5.1 the CONTRACTOR shall issue a credit note for the invoiced amount and shall invoice the AUTHORITY for the actual Notifiable Costs.
- 5.3 On receipt of an invoice pursuant to Paragraph 5.2, the AUTHORITY shall write a credit note for the invoiced amount.
- 5.4 The AUTHORITY shall validate each invoice in relation to the Notifiable Costs based on the information provided.

6 DISPUTED INVOICES

- 6.1 If there is any dispute between the parties as to whether any item on an invoice is properly due and payable by one to the other, the party receiving the invoice ("Receiving Party") shall:
- 6.1.1 use its reasonable endeavours to notify the other party ("Issuing Party") of the disputed sum at the earliest opportunity and at the latest within ten (10) days of receipt of that invoice; and
- 6.1.2 reject the invoice and return it to the Issuing Party.
- 6.2 The Issuing Party shall then re-issue the invoice with all undisputed sums and the invoice shall be paid by the Receiving Party as soon as reasonably practicable and in any event within ten (10) days of receipt of the re-issued invoice, except in circumstances outwith the control of the Receiving Party;
- 6.3 In parallel with this activity the parties shall work together in good faith to resolve any disputed sums as soon as possible. Following such resolution, the Issuing Party shall issue an invoice for those sums which the parties agree are due and payable and the invoice shall be paid by the Receiving Party within ten (10) days of receipt of the re-issued invoice, except in circumstances outwith the control of the Receiving Party.