SSA-L, Appendix 1
Customer specification of requirements

Non-domestic Toll Collection Service

Contents

1 INTRODUCTION

1.1 The Customer

The main actors in the Norwegian toll industry are the authorities, represented by the Norwegian Public Roads Administration (NPRA), the Toll Collectors (TC) organized in regions and known as RBPSs, the Toll service providers (TSP) and the Service users (vehicle owners).

The five regional toll companies (RBPS) are Customers of this agreement:

- *Bompengeselskap Nord AS*: Region north.
- *Vegamot AS:* Region central.
- *Vegfinans AS*: Region east.
- *Fjellinjen AS*: Region Oslo.
- *Ferde AS*: Region south west.

Each regional toll company shall sign a separate contract with the Supplier.

1.2 The purpose of this procurement

AutoPASS is the system for automatic toll collection in Norway. Road users pass toll stations without stopping and AutoPASS invoices tolls with the right tariff, discount, exemption etc. The system is owned by the Norwegian Public Roads Administration (NPRA) and is used by the toll companies and road users. The system consists of a central system, toll chips (on board units, OBU) and approximately 60 toll projects.

The assignment involves collection of tolls from foreign vehicles without OBU. The purpose of the assignment is to ensure that foreign road users pay tolls so that Norwegian and foreign road users are treated equally. In order to collect tolls outside Norway on behalf of the toll companies, the Supplier must have access to vehicle registers in European and other countries so that the invoice can be sent to the owner on which the car is registered.

The main objective of the collection process is for the toll companies to collect as much of the toll fees as possible. Therefore, the Customer has created a model to encourage the Supplier to spend extra effort and money to chase the claims even in countries where it is expensive and/or difficult to collect. More information about this model is found in chapter 4 and 5 below.

2 A STEP BY STEP DESCRIPTION OF THE SERVICE

The assignment can be divided into the following steps:

a) Collect passage information from each toll company
b) Find owner/address information for each registration number
c) Send consolidated invoices

d) Collect payment
e) Distribute payment between the toll companies
f) Support services throughout the process

The assignment also includes creating and maintaining an Environmental register with environmental vehicle data. More information about the Environmental register is found in chapter 7 below.

2.1 Collect passage information from each toll company

The Supplier will collect the passage information from each of the toll companies in an API.

The passage information will include date/time, toll station, price and other information.

The images from the passages can be obtain from the image database through a separate integration.

The Supplier must verify that the registered country and license plate is correct before continuing the collection process.

In case of any deviations, the Supplier must send a rejection message to the toll company and wait for a new message with correct information. The correct information must also be entered directly into the AutoPASS core system so that the reprocessing will have this information.

The Supplier must verify that the pricing is correct according to the information in the Environmental register.

In case of any deviations, the Supplier must send a rejection message to the Toll Company and wait for a new message with correct information. The correct information must also be entered into the Environmental register and uploaded to the AutoPASS Core system.

Details on the integration are discussed in chapter 6 below.

2.2 Find owner/address information for each registration number

The Supplier must have access to vehicle registers in European and other countries, so that the invoice can be sent to the owner on which the car is registered.

The Supplier should have access to vehicle registration information for as many as possible of the following countries:

- Sweden
- Germany
- Poland
- Denmark
- Netherlands
- Lithuania
- Estonia
- Romania
- France
- Finland

- Latvia
- Belgium
- Czech Republic
- Great Britain
- Switzerland
- Bulgaria
- Italy
- Russia
- Austria
- Spain

In Annex 1 to Appendix 1 the Supplier shall specify which of the above-mentioned countries they can obtain owner information from.

The Supplier must at his own expense create and maintain agreements and integrations with all applicable registries to obtain the necessary owner information.

For countries that demand a request or confirmation from the Norwegian Public Roads Administration (NPRA), necessary documentation will be provided.

For countries that will only physically send the information to the NPRA, the foreign flow will be handled by the NPRA and the Supplier must create integration to the NPRA systems in the formats that they describe.

Regarding the Netherlands: The Customer expects that by the start-up of this contract, owner information can be obtained from the NPRA. This can be assumed when answering this request.

It is expected that the EUCARIS database will be more and more used during the contract period. The Supplier must be able to change integrations accordingly.

The Supplier is also encouraged to create portal solutions etc. to obtain owner information directly form the owners in addition to collecting owner information form the registers.

2.3 Send consolidated invoices

The Supplier shall send consolidated invoices to the vehicle owners so that the vehicle owners receives one invoice per billing period for the passage of toll stations belonging to one or more toll companies.

<u>Invoicing intervals</u>

The vehicle owner should be billed quickly in order to increase their satisfaction and willingness to pay.

For countries in group 1, the Supplier must invoice for the first time no later than two months after the first passage, and then invoice monthly if there are passages ready for invoicing.

For countries in group 2, the Supplier should try to follow the same invoice frequency, but if the claim is small and the cost of collection is high, the Supplier may wait a longer period to let the claims

build up to a level where collection is possible. The Supplier shall not invoice passages that are more than 6 months old.

The contents of the invoice

The invoice must contain at least:

- Issuing authority with organization number (ie toll company)
- Vehicle registration number
- Date, time and place of each passage
- At least one image of the vehicle license plate
- Contact information for complaints
- Payment methods

On the invoice there should be space for free text of the Customer's choice. The free text can be 3-4 lines. The text will rarely be changed. Text on invoice today is:
"For future payments of road tolls in Norway, we recommend that you sign a contract with a Norwegian road toll company to issue an AutoPASS tag for your vehicle. This entitles you to discounted fees for using toll roads in Norway. If you drive a commercial vehicle over 3,500 kg, it is mandatory to have a valid tag approved for use in Norway. For more information, please visit www.autopass.no

2.4   Collect payment

The Supplier must send invoices in a distribution channel that is legal and widely accepted in each country. The initial invoice shall not have any invoice fees.

The Supplier will then if applicable follow up with reminders and a debt collection process in accordance with the deadlines and regulations in each country and change reminder and collection fees within the rules of the country.

The collected amount should be reported back to the toll companies through the API without delay as soon as it is received.

2.5   Distribute payment between the toll companies

In case of partial payments form the vehicle owners, the payments received should cover the oldest passages first.

Some toll companies will invoice the Supplier for the amount collected. The amount should be paid based on the invoice with due date 10 days after invoice.

Other toll companies will expect the amount to be paid without further notice. The outstanding collected amount should be paid every week for the payments the Supplier received from the vehicle owners the previous week.

Transfers to the toll companies shall be made in Norwegian kroner. The Supplier carries all the currency risk and cost if the vehicle owner has paid in another currency.

2.6 Support services throughout the process

2.6.1 Self-service portal for the vehicle owners

The Supplier shall provide a self-service portal for foreign vehicle owners.

The self-service portal shall be available in English. It will count positively in the evaluation if the Supplier can also offer the portal in other relevant languages.

At a minimum, the following shall be possible in the portal:

- View photos of all passages that are included on the invoice
- Complaint
- Functionality for complaints from drivers with OBU
- Pay invoice and passage
- A Customer with a rental car / leasing car must be able to register to receive an invoice directly

2.6.2 Vehicle owners' inquiries and complaints

It is the Supplier (or the Supplier's subcontractor) who shall receive and process inquiries / complaints from the vehicle owners. The Supplier undertakes to treat vehicle owners in a professional and respectful manner that does not damage the reputation of the toll companies.

The Supplier shall have knowledge of the Norwegian toll system as described on www.autopass.no. In some cases, customer care will require contact with the respective toll company. In this case, the toll company shall receive inquiries in Scandinavian (Norwegian, Swedish, Danish) or English.

2.6.3 Self-service portal for the toll companies

The Supplier shall provide a self-service portal for the toll companies and the Norwegian Public Roads Administration. The self-service portal shall be available in Norwegian or English.

At a minimum, the following shall be possible in the portal:

- Process requests about whether a toll station passage is to be charged with an OBU
- Extract reports from the system
- Contact the Supplier

It shall be possible for the toll companies / operating companies to log in with an ID and have access to all their toll stations. An operating company needs a single login for all toll companies for which they are assigned.

2.6.4 Reporting

As a minimum, the report / statistics shall state:

- How many cases and what amounts sent to and from each toll company, total and distributed by country and periods.
- How many cases and what amounts are invoiced to foreign road users, total and distributed by country.
- How many cases and what amounts cannot be invoiced and why.
- How many cases and what amounts have been paid by the road user, total and distributed by country.
- The Supplier's remuneration
- The Supplier's actual solve rate in the different countries
- The Costumer must have the opportunity to quality check requirements that the Supplier categorizes as invalid.

The reports should be downloadable as .pdf, .xlsx and .csv.

The reports should be available upon request, and should as a minimum show all data from the previous month by 3rd working day after each month end. The toll companies should also be able to inquire about the status of each passage.

The Supplier must also deliver a monthly report for solve rate that is the calculation of the months' price. The report must be based on the attached model and must be presented to the Customer before invoicing.

2.6.5 Special requests

The Supplier must provide smaller consultancy services for the toll companies and the Norwegian Public Roads Administration. These services involve:

- Answering questions
- Translations
- Manage lists of registration numbers to be billed together or filed
- Prepare statistical information

Small requests are included in the assignment. If the Supplier believes that a request is not included in the contract, it must be stated in advance of answering the request. If the Costumer accepts that the request is outside the scope of the agreement, an additional assignment must be agreed in writing with description, scope and price.

3 VOLUME

The future volume of passages and distribution per country is unknown. The toll companies have experienced that the numbers have increased year by year, but cannot estimate how the numbers will develop in the future.

For 2019 the total volume of non-domestic vehicle was:

Country	Number of passages	Total value of passages		Unique Vehicles	Avg amount per Vehicle		Part Heavy Vehicles
Grand Total	*12 748 001*	*310 194 282*		*641 602*	483		3 %
Group 1 total	*9 204 594*	*218 132 662*		*545 789*	*400*		
Sweden	4 569 932	100 539 984		264225	381		1 %
Germany	2 190 893	57 512 825		134888	426		1 %
Denmark	786 089	17 048 604		61257	278		2 %
Netherlands	557 546	15 504 377		36897	420		2 %
Lithuania	634 377	14 784 513		13841	1068		7 %
Finland	179 065	5 201 286		21103	246		4 %
Switzerland	117 820	3 064 270		5934	516		0 %
Italy	91 171	2 406 940		3690	652		1 %
Austria	77 701	2 069 863		3954	523		3 %
Group 2 total	*3 594 213*	*92 061 620*		*95 813*	*843*		
Poland	1 729 246	42 530 693		33568	1267		8 %
Estonia	290 014	7 610 998		4741	1605		12 %
Romania	252 594	7 236 815		3646	1985		9 %
France	192 781	5 135 808		8350	615		1 %
Latvia	189 427	4 485 124		5045	889		5 %
Belgium	145 227	4 051 613		8550	474		2 %
Czech Republic	135 859	3 650 750		6331	577		2 %
Great Britain	130 325	3 351 385		4796	699		2 %
Bulgaria	109 306	2 804 744		1567	1790		10 %
Russia	77 357	2 101 058		5208	403		3 %
Spain	68 375	1 855 291		2521	736		8 %
Slovakia	41 718	1 085 122		1480	733		5 %
Ukraine	24 146	628 040		873	719		2 %
Germany for export	22 198	536 380		475	1129		1 %
USA	16 064	427 409		257	1663		1 %
Slovenia	19 377	569 376		889	640		27 %
Hungary	15 703	415 564		855	486		7 %

Serbia	13 728	364 791		319	1144		5 %
Croatia	12 273	299 268		262	1142		5 %
Turkey	11 961	362 100		737	491		44 %
China	6 664	193 655		184	1052		0 %
Portugal	10 155	261 221		271	964		28 %
Luxembourg	7 857	190 819		413	462		3 %
Belarus	6 059	155 811		263	592		4 %
Australia	4 874	138 388		5	27678		0 %
Greece	5 130	138 876		102	1362		0 %
Ireland	4 989	126 021		105	1200		3 %
OTHER	50 806	1 354 500		4000	339		4 %

4 SOLVE RATE REQUIREMENTS

4.1 Objective

The main objective of the collection process is for the toll companies to collect as much of the toll fees as possible. Therefore, a large part of the evaluation will be based on the amount that the Supplier is able to deliver.

The calculation of the amount that the Supplier is able to deliver, will be based on the Supplier's offered solve rate.

4.2 Definition of Solve Rate

The solve rate is calculated as the total value of all valid toll fee claims received form the toll companies in total, divided on the amount paid to the toll company.

A valid claim means that:

- The passage is made available to the Supplier form the Customer's system.
- The car actually drove through the toll station in Norway.
- The LPN and Country code is correctly identified.
- It is possible to identify the LPN form the image.
- The passage is not already paid.
- The car is not exempted from paying tolls.

The value of any wrongful claims sent to the Supplier are subtracted and does not count in the calculation. These errors must be reported back to the toll companies in order to be subtracted.

4.3 Solve rate and price model:

The price model is based on two groups of countries.

Group 1 consists of the following countries:

- Sweden
- Germany
- Denmark
- Netherlands
- Lithuania
- Finland
- Switzerland
- Italy
- Austria

Group 2 consists of all other countries.

For Group 1 we expect that it is relatively cheap and easy to find the owner information and collect the toll fees. In this group, we will expect that a high percentage of the toll fees is collected to a low price.

For Group 2 we know that it may be time consuming and costly to obtain the owner information and collect the toll fees. The toll companies want to take that extra cost and collect as much as possible of the toll fees. In this group, we expect a much higher price. We expect that for this price, the Supplier can collect a big part of the claims, but we acknowledge that it will still not be possible to collect as much as in group 1.

The offered solve rate for each country group shall be set out in Appendix 1 Annex 2.

The percentage price for each country group shall be set out in Appendix 6 Annex 1.

In Appendix 1 Annex 3 the Supplier can see the relation between the solve rate and the percentage price.

4.4   Reclassification

It is expected that the EUCARIS database will be more and more used during the contract period. For this and other reasons the classification of countries in group 1 and 2 may change.

If, due to external circumstances, it becomes almost impossible or significantly more expensive to obtain owner information from a country in group 1 during the contract period, a country in group 1 can be moved to group 2.

The same applies the other way around: If, due to external circumstances, it becomes cheap and easy to obtain owner information, a country in group 2 can be moved to group 1. An example of this will be if the data is available from EUCARIS or though the Norwegian Public Roads Administration.

Both the Customer and the Supplier can request reclassification. The requester must produce the documentation for the change. The other party has the opportunity to oppose the request for

reclassification if they have an objective factual reason for doing so. If there is an objective factual reason to oppose the change, reclassification shall not occur.

Regarding the Netherlands: The Customer expects that by the start-up of this contract, owner information can be obtained from NPRA. The Netherlands is therefore placed in group 1. However, if owner information cannot be obtained from NPRA, the Netherlands will be moved to group 2 according to the regulations above.

4.5   Documentation on how to reach offered solve rate

The Customer requires documentation showing that the Supplier has a credible plan for reaching the offered solve rate. This can be made by existing experience or plans for improvement on this form (all numbers and texts for illustration only):

Sweden	97%	Have reached this number for Customer X in 2018 and 2019
Germany	95%	Have reached this number for Customer X in 2018 and 2019
UK	60%	A 30% fee will make it profitable to provide owner information for all claims over 200 NOK and we then expect to invoice 70% of the claims and collect 90% of the invoiced amount.
...	...	...
...	...	...
Other	15%	Have reached this number for Customer X in 2018 and 2019

This information must be given on country level for all countries in group 1 and at least the 10 biggest countries in group 2. You may also add detailed plans for more than 10 countries if that makes it easier to show a credible plan.

Note that Poland is the biggest country in Group 2. We therefore expect a more detailed plan for this country.

The details for input on these requirements are found in Annex 2.

5   PRICE MODEL

The price model for the collection is based on a percentage of the total collected amount. The Suppliers is only paid based on the total amount that is actually paid to the toll companies.

The Customer will also accept other price components like a start-up cost if that is applicable. The Customer still expects the main price component to be the percentage model.

The cost for the Environmental register is a separate model as discussed below.

5.1 Three step variable price model

To ensure high motivation for collecting more claims, and to assure that the bidders does not promise a higher solve rate than what realistically can be achieved, the Costumer has made the following mechanism for pricing:

- For the first 1/3 of the promised solve rate, the Supplier will receive 50% of the agreed price.
- For the next 1/3 of the promised solve rate, the Supplier will receive the agreed price.
- For the last 1/3 of the promised solve rate – and any overperformance, the Supplier will receive 150% of the agreed price.

This will mean that the Supplier will receive the agreed price if he reaches the agreed solve rate.

In case the solve rates is below expected, the average price will be lower than agreed.

And in case the solve rates is above expected, the average price will be higher than agreed.

A solve rate that is more that 10% lower than the agreed-on average for 3 consecutive months will be considered a material breach of contract that can lead to termination with immediate effect.

The solve rate calculation will be done monthly for each of the two groups of countries. The Supplier must report on the solve rate for the total claims for each month for the five companies together and use the corresponding percentage for invoicing.

The following example is provided for illustration only and is based on group 2.

	Example 1	Example 2	Example 3
	Performance as expected	Underperforming	Overperforming
Agreed solve rate	60%	60%	60%
Agreed price	30%	30%	30%
Period amount to collect	100.000	100.000	100.000
Expects solved amount	60.000	60.000	60.000
Expected price	30%*60.000 = 18.000	30%*60.000 = 18.000	30%*60.000 = 18.000
Real solved amount	60.000	50.000	70.000
Price calculation	15%*20.000 = 3.000 30%*20.000 = 6.000 45%*20.000= 9.000	15%*20.000 = 3.000 30%*20.000 = 6.000 45%*10.000= 4.500	15%*20.000 = 3.000 30%*20.000 = 6.000 45%*30.000= 13.500
Achieved price NOK	18.000	13.500	22.500
Achieved price %	30%	27%	32%

As the model illustrates – the Supplier will get paid extra for the last part of the work (in this example 45% instead of the agreed 30%). This is meant to motivate for an extra effort to collect even more of the claims.

5.2   Calculation of the monthly fee rate

The Solve rate if calculated monthly based on aggregated numbers. At the end of any given month (x), we calculate the total of accumulated valid claims Received (R_x) and accumulated amount collected (C_x). The accumulated Solved rate (S_x) is calculated as $S_x = C_x / R_x$

Based on the price model we will calculate the accumulated Fee (F_x) as a sum of the three price ranges like shown in the example above.

Detailed description:

We denote the Agreed Solve Rate S_a and the agreed Fee% $F\%_a$
The accumulated Fee will be
F_x = (C_x up to 1/3* S_a) * 50%* $F\%_a$ + (C_x between 1/3* S_a and 2/3* S_a) * 100%* $F\%_a$ + (C_x above 2/3* S_a) * 150%*$F\%_a$
To calculate a fee (f_x) for the current month we look at the accumulated numbers for this and last month and calculate $f_x = F_x - F_{x-1}$

To calculate this month fee percent ($f\%_x$), we divided the fee amount (f_x) by the months' income. The Supplier will report on the amount collected, solve rate and Fee% monthly and use the numbers for invoicing that month.

This calculation will be done as a total for all Toll Companies, and the Fee% found will be used for all invoices to each company that month.

Illustrating example based on solve rate 60% and fee 30%

At the end of May the total aggregated claims are 1.000.000 NOK and the aggregated collected amount is 500.000 NOK.

So, aggregated solve rate will be 50% and the aggregated fee is 27% or 135.000 NOK.
In June we add new claims for 100.000 NOK and the collected amount is 60.000 NOK.
At the end of June, the total aggregated claims are 1.100.000 NOK and the aggregated collected amount is 560.000 NOK.

So, aggregated solve rate will be 51% and the aggregated fee is 27,3% or 153.000 NOK.
For the month of June, we will pay the difference 153.000-135.000 = 18.000 NOK.
As 18.000 / 60.000 = 30%, the number 30% will be used for invoicing all the toll companies this month for this country group.

An Excel sheet showing the model is attached as in Appendix 1 Annex 3. It is suggested to use this Excel model to better understand the model when reading the description above.

6 INTEGRATIONS

6.1 External Integrations

The Supplier must create and maintain integrations (or manual routines) to all necessary car register services. This also includes integrations to the Norwegian Public Roads Administration if applicable. This is not described in this contract but is up to the Supplier and the other parties.

6.2 Toll Companies APIs

The Supplier must create and maintain an integration to the toll companies' APIs for collecting passages, and to deliver statuses, request for correction and payment information. Note that the different toll companies have separate APIs, but they are all based on the same format description.

The format description is found in Appendix 1 Annex 4.

6.3 AutoPASS image database API

The Supplier must create and maintain an integration to the AutoPASS Core system for collecting images.

Alternatively, this can be done manually in a web interface.

The format description is found in Appendix 1 Annex 5.

6.4 AutoPASS Core system API

The Supplier must create and maintain an integration to the AutoPASS Core system to update vehicle information in cases where the supplied country, licence plate or price is incorrect. Alternatively, this can be done manually in a web interface.

The format description is found in Appendix 1 Annex 5.

6.5 AutoPASS Core system – environmetal data

The Supplier must create and maintain an integration to AutoPASS Core system to update the registered environmental information into the pricing system.

The Supplier must upload a CSV file on the specified format daily to an FTP site.

The format description is found in Appendix 1 Annex 6.

7 ENVIRONMENTAL REGISTER

Some toll projects will have different prices based on fuel type and Euro class.
The Supplier must create and maintain a register of this information and make it available for the IP pricing system.

The Supplier must create and maintain a self-service solution where car owners can enter this information and documentation.

The information stored is:

- EURO Class
- Fuel type
- Zero emission vehicle
- Plugin hybrid

The self-service portal shall be available in English. It will count positively in the evaluation if the Supplier can also offer the portal in other relevant languages.

The Supplier must verify the entered data by checking the scanned information sent from the Customer for some agreed cases. The criteria for checking the information is:

- Heavy vehicles with Euro Class VI: All checked
- Heavy vehicles with Zero emission: All checked
- Heavy vehicles with Plugin hybrid: All checked
- Light vehicles with Zero emission: All checked
- Light vehicles with Plugin hybrid: 5% checked
- Light vehicles with fuel type gasoline: 5% checked
- Other vehicles are not verified.

The criteria may change during the contract period.

In the previous period it has been done approx. 1.000 verifications per month.

The Supplier must make this information available to the AutoPASS IP Core prising system though the defined integrations as discussed under integrations above.

This service is priced separately from the other service. The price may consist of the following elements:

- Start-up cost
- Yearly cost
- Cost per verification.

At the end of the contract period, this information must be made available on a machine-readable format.

8 PERSONAL DATA

The Suppliers shall sign the attached Data Processing Agreement.

9 OPTIONS

The regional toll companies are in the process of getting a new operator solution. The Customer's goal is for the solution to be operational before the delivery of this agreement starts, so that the Supplier only needs integration with the new operator solution. However, the process of getting the new solution operational has been delayed several times. There is thus a certain risk that the operator solution will not become operational until after the delivery of this agreement has started. Therefore, the Customer wants an option for the Supplier to integrate with the current system at the beginning of the contract period, before later integration with the new operator solution.

The option for the Supplier to integrate with the current system will not be included in the price evaluation. The Supplier must nevertheless inform about the offered hourly rate for the integration work so that the price is contractual if the option is used by the Customer. The offered hourly rate shall be included in Appendix 6 Annex 1.

The Customer must give the Supplier a written notice if the Customer wants to use the option. The integration with the current system must be operational within 50 working days from the day after the Customer gave the Supplier written notice.

10 LIST OF ANNEXES TO APPENDIX 1

Annex 1	Table for supplier's response to customer requirements
Annex 2	Table for supplier's response to expected solve rate
Annex 3	Periodization for variable price model
Annex 4	EPH REST API Description
Annex 5	AutoPass image
Annex 6	AutoPass IP Technical vehicle info CSV format specification