

# SOUTHGATE TERMINAL

## ## Port Operations Security Documentation

### Vendor Incident Coordination Protocol

#### Document Information

**Document Type:** Vendor Management Framework **Intended Users:** Legal Team, Operations Team, Executive Team, Procurement **Usage Context:** During incidents involving vendor performance, vendor-related security issues, or vendor contract disputes **Related Scenarios:** Vendor payment issues, vendor email leaks, vendor system failures, vendor liability concerns

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#### Purpose

This protocol provides systematic procedures for coordinating with vendors during operational incidents, managing vendor-related security issues, and addressing vendor performance problems that arise during crisis situations.

#### When to Use This Protocol

- Vendor payment processing failures during incidents
  - Vendor information leaks or security breaches
  - Vendor system failures affecting operations
  - Vendor contract disputes during emergency situations
  - Vendor liability questions during incidents
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#### Vendor Incident Classification

##### Category A: Vendor Performance Issues

**Definition:** Vendor failing to meet contractual obligations during normal or emergency operations **Examples:** Late deliveries, service failures, personnel availability issues **Authority:** Operations Team with Legal consultation **Timeline:** Address within 4 hours

##### Category B: Vendor Payment/Financial Issues

**Definition:** Payment processing problems, invoice disputes, or financial conflicts with vendors **Examples:** Payment system failures, disputed charges, emergency procurement needs **Authority:** Finance Team with Legal approval **Timeline:** Address within 2 hours for critical vendors

### Category C: Vendor Security Incidents

**Definition:** Security breaches, information leaks, or cyber incidents involving vendors **Examples:** Vendor email breaches, unauthorized vendor system access, vendor data exposure **Authority:** Legal Team with Executive approval **Timeline:** Address within 1 hour

### Category D: Vendor Liability/Legal Issues

**Definition:** Legal disputes, liability questions, or contract enforcement issues with vendors **Examples:** Vendor causing operational damage, contract breach during emergency, liability allocation **Authority:** Legal Team with Executive and external counsel **Timeline:** Immediate assessment, formal response within 24 hours

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## Vendor Security Incident Response

### Immediate Response to Vendor Security Breaches

**Information Leak Assessment (0-30 minutes)** When vendor leaks internal information (e.g., email forwarding incidents):

#### 1. Immediate Containment:

- ☐ **Stop Further Communication:** Cease sensitive communications with vendor immediately
- ☐ **Information Assessment:** Determine what information was exposed
- ☐ **Exposure Scope:** Identify who received leaked information
- ☐ **Damage Assessment:** Evaluate potential damage from leak

#### 2. Vendor Notification and Response:

- ☐ **Immediate Contact:** Contact vendor executive leadership immediately
- ☐ **Breach Notification:** Formally notify vendor of security breach
- ☐ **Corrective Action Demand:** Require immediate corrective action
- ☐ **Investigation Cooperation:** Demand vendor cooperation in investigation

**Vendor Communication Security Protocol Enhanced Security Measures:** - [ ] **Classification Review:** Review all communications for sensitivity classification - [ ] **Distribution Limits:** Limit vendor access to need-to-know information only - [ ] **Secure Channels:** Use encrypted communication channels for sensitive information - [ ] **Information Marking:** Clearly mark all communications with confidentiality requirements

### Vendor System Compromise Response

**When Vendor Systems Are Compromised**

1. **Immediate Actions:**

- ☐ **Network Isolation:** Isolate vendor network connections if possible
- ☐ **Access Review:** Review all vendor access to our systems
- ☐ **Credential Changes:** Change any shared credentials or access codes
- ☐ **Security Assessment:** Assess potential impact on our systems

2. **Vendor Coordination:**

- ☐ **Incident Notification:** Formal notification to vendor of security concerns
  - ☐ **Cooperation Demand:** Require vendor cooperation in security response
  - ☐ **Evidence Preservation:** Ensure vendor preserves evidence of compromise
  - ☐ **Recovery Planning:** Coordinate recovery and restoration efforts
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## Vendor Payment Emergency Procedures

### Payment System Failure Response

#### Immediate Assessment (0-15 minutes)

1. **System Status Check:**

- ☐ **Payment System Status:** Verify status of payment processing systems
- ☐ **Vendor Notification Status:** Determine if vendors have been notified
- ☐ **Critical Vendor Impact:** Identify critical vendors affected by payment delays
- ☐ **Service Risk Assessment:** Assess risk of service interruption

2. **Critical Vendor Prioritization:**

- ☐ **Emergency Services:** Medical, fire, security services
- ☐ **Operational Critical:** Vendors essential for daily operations
- ☐ **Safety Critical:** Vendors providing safety-related services
- ☐ **Contractual Obligations:** Vendors with strict payment timing requirements

### Emergency Payment Procedures

1. **Alternative Payment Methods:**

- ☐ **Emergency Check Authorization:** Expedited check processing for critical vendors
- ☐ **Wire Transfer Authorization:** Direct wire transfers for urgent payments
- ☐ **Credit Card Processing:** Emergency credit card payments where applicable
- ☐ **Cash Advance:** Petty cash advances for immediate vendor needs

2. **Vendor Communication:**

- ☐ **Immediate Notification:** Contact critical vendors about payment delays

- ☐ **Alternative Arrangements:** Offer alternative payment methods
- ☐ **Timeline Communication:** Provide realistic timeline for payment resolution
- ☐ **Service Continuity:** Negotiate continued service during payment delays

## Vendor Payment Dispute Resolution

### Dispute Assessment Process

#### 1. Dispute Analysis:

- ☐ **Invoice Verification:** Verify accuracy of disputed invoice
- ☐ **Service Verification:** Confirm services were provided as invoiced
- ☐ **Contract Review:** Review contract terms for payment and dispute procedures
- ☐ **Documentation Review:** Examine all relevant documentation

#### 2. Resolution Authority:

- **Under \$10,000:** Operations Manager authority
- **\$10,000-\$50,000:** Executive approval required
- **Over \$50,000:** Legal review and executive approval required
- **Disputed liability:** Legal team handles with external counsel

## Emergency Procurement During Payment Issues

#### 1. Alternative Vendor Coordination:

- ☐ **Backup Vendor Activation:** Activate backup vendors for critical services
- ☐ **Emergency Procurement:** Use emergency procurement procedures
- ☐ **Service Continuity:** Ensure no interruption in critical services
- ☐ **Cost Authorization:** Obtain appropriate authorization for alternative vendors

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## Vendor Performance Issues During Incidents

### Vendor Failure to Perform

#### Performance Issue Assessment

##### 1. Service Impact Analysis:

- ☐ **Operational Impact:** How vendor failure affects our operations
- ☐ **Safety Impact:** Any safety implications of vendor service failure
- ☐ **Timeline Impact:** Effect on incident response timeline
- ☐ **Alternative Options:** Available alternatives for vendor services

##### 2. Contractual Review:

- ☐ **Performance Standards:** Review contractual performance requirements

- ☐ **Force Majeure:** Assess if force majeure clauses apply
- ☐ **Penalties:** Determine applicable penalties for non-performance
- ☐ **Termination Rights:** Review termination and replacement rights

## Vendor Performance Escalation

### 1. Escalation Sequence:

- **Level 1:** Direct contact with vendor project manager
- **Level 2:** Escalation to vendor account executive
- **Level 3:** Escalation to vendor senior management
- **Level 4:** Legal enforcement and contract termination

### 2. Performance Requirements:

- ☐ **Service Level Restoration:** Immediate restoration to contracted levels
- ☐ **Enhanced Monitoring:** Increased performance monitoring
- ☐ **Corrective Action Plan:** Detailed plan to prevent recurrence
- ☐ **Compensation:** Appropriate compensation for performance failures

## Emergency Vendor Replacement

### Vendor Replacement Decision Process

#### 1. Replacement Criteria:

- ☐ **Service Criticality:** How critical is the vendor service
- ☐ **Replacement Availability:** Are suitable replacement vendors available
- ☐ **Replacement Timeline:** How quickly can replacement vendor be deployed
- ☐ **Cost Implications:** Financial impact of vendor replacement

#### 2. Replacement Authorization:

- **Critical Safety Services:** Immediate replacement authorized
- **Operational Services:** Operations Manager with Legal review
- **Non-critical Services:** Standard procurement procedures
- **High-value Services:** Executive authorization required

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## Vendor Liability and Legal Issues

### Vendor-Caused Operational Damage

#### Damage Assessment and Documentation

##### 1. Immediate Documentation:

- ☐ **Incident Description:** Detailed description of vendor-caused incident
- ☐ **Damage Assessment:** Comprehensive assessment of all damages
- ☐ **Evidence Preservation:** Preserve all evidence of vendor responsibility

- ☐ **Witness Statements:** Collect statements from personnel who observed incident

## 2. Liability Analysis:

- ☐ **Contract Review:** Review contract terms for liability allocation
- ☐ **Insurance Coverage:** Assess vendor insurance coverage for damages
- ☐ **Legal Precedent:** Review applicable legal precedents
- ☐ **Damage Calculation:** Calculate total damages including indirect costs

## Vendor Liability Enforcement

### 1. Formal Notification:

- ☐ **Damage Notice:** Formal notice to vendor of damages caused
- ☐ **Liability Assertion:** Assert vendor liability under contract terms
- ☐ **Compensation Demand:** Demand appropriate compensation
- ☐ **Timeline Requirements:** Set reasonable timeline for vendor response

### 2. Legal Enforcement:

- ☐ **Insurance Claim:** File claim with vendor's insurance carrier
- ☐ **Contract Enforcement:** Enforce contract terms for vendor liability
- ☐ **Legal Proceedings:** Initiate legal proceedings if necessary
- ☐ **Asset Protection:** Protect our assets pending resolution

## Contract Disputes During Emergencies

### Emergency Contract Modification

#### 1. Force Majeure Assessment:

- ☐ **Event Classification:** Determine if incident qualifies as force majeure
- ☐ **Contract Language:** Review force majeure clauses in vendor contracts
- ☐ **Performance Excuses:** Assess what performance may be excused
- ☐ **Alternative Obligations:** Identify alternative vendor obligations

#### 2. Emergency Modifications:

- ☐ **Scope Changes:** Modifications to service scope during emergency
  - ☐ **Performance Standards:** Temporary modifications to performance requirements
  - ☐ **Payment Terms:** Emergency modifications to payment terms
  - ☐ **Duration Changes:** Extensions or modifications to contract duration
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## Vendor Communication Templates

### Vendor Security Breach Notification

**TO:** [Vendor Executive Leadership] **FROM:** [Legal Team/Executive] **SUBJECT:** URGENT - Security Breach Notification

**INCIDENT:** We have identified a security breach involving [specific incident description].

**IMMEDIATE ACTIONS REQUIRED:** - Cease all information sharing immediately - Investigate cause of breach - Implement corrective measures - Provide incident report within 24 hours

**LEGAL IMPLICATIONS:** This incident may constitute a breach of contract under Section [X]. We reserve all rights under the contract and applicable law.

**RESPONSE REQUIRED:** Please confirm receipt and provide immediate response plan within 2 hours.

### Vendor Payment Issue Communication

**TO:** [Vendor Account Manager] **FROM:** [Finance/Operations] **SUBJECT:** Payment Processing Issue - Immediate Action Required

**SITUATION:** We are experiencing payment processing issues that may delay vendor payments.

**IMPACT:** Payments scheduled for [date] may be delayed by [timeframe].

**ALTERNATIVE ARRANGEMENTS:** We can offer [alternative payment methods] for critical services.

**SERVICE CONTINUITY:** Please confirm continued service provision during payment resolution.

**TIMELINE:** We expect resolution by [date/time] and will provide updates every [frequency].

### Vendor Performance Deficiency Notice

**TO:** [Vendor Management] **FROM:** [Operations/Legal] **SUBJECT:** Performance Deficiency - Immediate Correction Required

**PERFORMANCE ISSUE:** [Specific description of performance failure]

**CONTRACT REFERENCE:** This performance deficiency violates Section [X] of our service agreement.

**IMMEDIATE REQUIREMENTS:** - Restore service to contracted levels within [timeframe] - Provide corrective action plan within [timeframe] - Implement enhanced monitoring procedures

**CONSEQUENCES:** Failure to correct may result in contract termination and pursuit of damages.

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## **Vendor Incident Documentation**

### **Required Documentation**

**For All Vendor Incidents:** - Vendor incident report - Timeline of vendor communications - Contract review and analysis - Financial impact assessment - Corrective action documentation

### **Vendor Performance Tracking**

**Ongoing Documentation:** - Service level compliance monitoring - Incident frequency and impact tracking - Vendor response time analysis - Cost impact of vendor incidents - Contract compliance assessment

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## **Success Criteria**

- Rapid and effective vendor incident response
  - Successful coordination with vendors during crisis situations
  - Appropriate protection of organizational interests in vendor relationships
  - Effective enforcement of vendor contractual obligations
  - Maintained vendor relationships while protecting organizational needs
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## **Related Documents**

- Legal Risk Escalation Flowchart
- Crisis Communications SOP
- Crisis Decision Authority Matrix
- Insurance Communications Template
- Contract Management Procedures