BLUE SPOT IT LTD

TERMS AND CONDITIONS / MASTER SERVICES AGREEMENT

Effective date: January 2025
Supplier: Blue Spot IT Ltd
Company number: 14707088
Registered office: National House, 80-82 Wellington Road North, Stockport, Cheshire, England, SK4 1HW
Support: support@bluespotcomputers.com
Telephone: 01260 280001

IMPORTANT BUSINESS NOTICE

These Terms and Conditions contain important provisions relating to payment obligations, Direct Debit pricing, non-Direct Debit surcharges, administration charges, Microsoft and third-party licence commitments, suspension of services, retention of title, ownership of equipment, administration, insolvency, limitation of liability and recovery rights.

The Client should read these Terms carefully before signing any Specification, placing any Order, accepting any quotation, renewing any subscription, accepting any Goods, using any Services or continuing to trade with the Supplier.

These Terms are intended for business-to-business transactions only and do not apply to consumers.

The Client's attention is specifically drawn to the following clauses:

- Clause 3 — Client obligations
- Clause 6 — Fees, Direct Debit, payment terms and administration charges
- Clause 10 — Term and termination
- Clause 11 — Consequences of termination
- Clause 12 — Limitation of liability
- Clause 16 — Third-party services and Microsoft/CSP commitments
- Clause 20 — Updated Terms and Conditions
- Clause 28 — Insolvency and administration
- Schedule 2 — Microsoft CSP additional terms

- Schedule 3 — Supply of Goods, title and risk

MASTER SERVICES AGREEMENT

Background

1. Blue Spot IT Ltd incorporated and registered in England and Wales with company number 14707088, whose registered office is at National House, 80-82 Wellington Road North, Stockport, Cheshire, England, SK4 1HW, is an IT services provider and value-added reseller in the United Kingdom.
2. The Supplier provides professional services, managed IT services, support services, Microsoft Cloud Solution Provider services, third-party services, subscriptions, software, licences, hardware, equipment and related IT services.
3. The Client wishes to use the Supplier's Goods, Services and Licences in its business operations.
4. The Supplier has agreed to provide, and the Client has agreed to take and pay for, the Goods, Services and Licences subject to the terms and conditions of this Agreement.
5. Multiple Specifications, quotations, statements of work, orders, service schedules and licence schedules may be incorporated under this Agreement.

Interpretation and Definitions

In this Agreement, unless the context otherwise requires, the following definitions apply.

Agreement means these Terms and Conditions, the Master Services Agreement, any Specification, quotation, Order, statement of work, service schedule, licence schedule, CSP terms, Third-Party Terms, variation or other document incorporated by reference.

All Sums means all amounts owed by the Client or any member of the Client Group to the Supplier on any account whatsoever, whether arising under this Agreement, any Specification, Order, invoice, service schedule, licence schedule, Microsoft commitment, CSP Managed Service, Third-Party Service, supply of Goods, supply of

Services, cancellation charge, early termination charge, administration charge, interest, legal cost, collection cost or other liability.

Business Day means a day other than a Saturday, Sunday or public holiday in England when banks in England are open for business.

Client means the business, company, partnership, organisation, sole trader or other legal person identified in the Specification, quotation, Order or invoice as the customer or recipient of Goods, Services or Licences.

Client Group means the Client and any parent, subsidiary, holding, associated, connected, related or group company which signs, accepts, places an Order under, receives supply under, uses, benefits from, guarantees, pays for or otherwise agrees to be bound by this Agreement.

Client Personal Data has the meaning given in Clause 17.

Commencement Date means the date on which the applicable Specification is signed or such other date as is agreed between the parties.

CSP Agreement means the Microsoft Cloud Solution Provider customer agreement referred to in Clause 3.1 and Schedule 2, as may be updated by Microsoft from time to time.

CSP Managed Services means Microsoft Cloud Solution Provider products, subscriptions, online services and related managed services supplied, resold, procured, provisioned or administered by the Supplier.

Deliverables means documents, products, materials, reports, configurations, workflows, scripts, code, designs or other outputs developed or supplied by the Supplier in relation to the Services.

Fees means all fees, charges, costs, expenses and other sums payable by the Client to the Supplier under this Agreement, any Specification, Order, quotation, invoice, service schedule or licence schedule.

Force Majeure Event has the meaning given in Clause 24.

Goods means all hardware, equipment, devices and other goods supplied, installed, configured, delivered, loaned, leased, rented, sold or otherwise made available by the Supplier to the Client, including computers, laptops, desktops, servers, switches, routers, firewalls, wireless access points, phones, tablets, backup devices, storage devices, networking equipment, cabling, appliances, peripherals and any other IT equipment.

Good Industry Practice means the standard of care and skill that would reasonably be expected of a competent provider of IT services similar to the Services.

Initial Term means the initial term specified in the applicable Specification.

Licence Agreement means any licence agreement, end user licence agreement, CSP Agreement, Microsoft agreement, vendor agreement or third-party agreement applicable to any Licences or Third-Party Services.

Licences means all software licences, Microsoft licences, Microsoft 365 subscriptions, cloud subscriptions, SaaS subscriptions, backup licences, cyber security licences, hosting plans, vendor subscriptions and any other third-party licences or subscriptions procured, supplied, administered or managed by the Supplier.

Normal Business Hours means 8:30am to 5:00pm local UK time on Business Days, unless otherwise specified in the relevant Specification.

Order means any order, request, quotation acceptance, purchase order, email instruction, verbal instruction, portal request, service desk request or other instruction by which the Client requests, approves or accepts Goods, Services or Licences.

Products means Microsoft products or third-party products supplied or made available as part of CSP Managed Services or Third-Party Services.

Renewal Term has the meaning given in Clause 10.

RRP means the Supplier's then-current standard retail price, standard list price, standard managed service price or standard non-discounted rate applicable to the relevant Goods, Services or Licences.

Services means all services supplied by the Supplier, including IT support, managed services, consultancy, monitoring, cyber security services, installation, configuration, migration, hosting, backup, helpdesk, support desk services, project work, professional services, Microsoft administration, tenant administration and management services.

Service Levels means any service performance targets expressly set out in the applicable Specification.

Specification means any document, quotation, order form, service schedule, licence schedule, proposal, statement of work or specification describing Goods, Services, Licences, pricing, service scope or commercial terms.

Supplier means Blue Spot IT Ltd.

Third-Party Services means any goods, software, licences, services, hosting, cloud services, subscriptions, warranties, support plans or products supplied by a third-party supplier, vendor, distributor or licensor and procured, resold, administered or managed by the Supplier.

Third-Party Terms means terms imposed by Microsoft or any other vendor, licensor, cloud provider, distributor, manufacturer or third-party supplier.

Writing includes email.

Clause and paragraph headings shall not affect the interpretation of this Agreement.

A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.

Unless the context otherwise requires, words in the singular shall include the plural and words in the plural shall include the singular.

A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

Any words following the terms “including”, “include”, “in particular”, “for example” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

References to Clauses are to the clauses of this Agreement unless otherwise stated.

A person includes a natural person, corporate or unincorporated body whether or not having separate legal personality.

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1. Order of Precedence

1.1 In the event of any conflict or inconsistency between the Clauses of this Agreement, the Schedules, any variation, any Licence Agreement, the CSP Agreement and the Specification, the following order of precedence shall apply in decreasing order:

(a) any variation to this Agreement agreed in writing by the parties;

(b) the Specification;

(c) any Licence Agreement or CSP Agreement to the extent applicable to the relevant Services, Licences or Products;

(d) the Schedules to this Agreement; and

(e) the Clauses in this Agreement.

1.2 The Client’s own purchase order terms, procurement terms, standard terms or other terms shall not apply unless expressly agreed in writing by a director of the Supplier.

1.3 Any purchase order issued by the Client shall be treated as an administrative document only and shall not vary this Agreement.

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2. Supply of Services

2.1 Commencing on the Commencement Date, the Supplier shall perform the Services as set out in the applicable Specification in accordance with this Agreement.

2.2 In supplying the Services, the Supplier shall:

(a) supply the Services in accordance with the agreed Specification in all material respects;

(b) determine where and how the Services shall be delivered unless otherwise agreed in the Specification;

(c) use commercially reasonable endeavours to meet any performance timelines specified in the Specification, but any such timelines shall be estimates only and time shall not be of the essence;

(d) provide the Services using reasonable care and skill; and

(e) comply with applicable laws and regulations.

2.3 Where the Services include the supply of Goods, Schedule 3 shall apply.

2.4 The Supplier does not control the flow of data to or from the internet or third-party networks. Such flow depends on the performance of internet services and networks provided or controlled by third parties. The Supplier shall not be liable for any impairment, interruption or disruption caused by such third parties.

2.5 The Client acknowledges that conditions outside the Supplier's control may adversely affect the Supplier's ability to perform the Services, including:

(a) failure of Client hardware, software, systems or operating environments;

(b) partial or full failure of third-party services;

(c) Microsoft, vendor, hosting or distributor outages;

(d) network connectivity issues;

(e) power failures;

(f) cyber incidents not caused by the Supplier; or

(g) Client failure to follow advice or maintain systems.

2.6 Either party may request changes to any Specification by written Change Request. No Change Request shall be binding unless agreed in writing by both parties.

2.7 Any agreed Change Request shall continue to be subject to this Agreement unless expressly stated otherwise.

2.8 Neither party shall be required to accept a Change Request made by the other party.

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3. Client's Obligations

3.1 The Client shall:

(a) co-operate with the Supplier in all matters relating to the Goods, Services and Licences;

(b) provide the Supplier with access to appropriate members of the Client's staff, equipment, systems, premises, networks, cloud portals, software, passwords, administrative accounts and information as reasonably required;

(c) provide such information, documentation and data as the Supplier may reasonably request in order to perform the Services;

(d) use the Services only for lawful purposes and in accordance with this Agreement;

(e) not store, distribute or transmit any material through the Services that is unlawful, harmful, threatening, defamatory, obscene, harassing, discriminatory, offensive, facilitates illegal activity, depicts sexually explicit images, promotes unlawful violence or is otherwise unlawful;

(f) remain responsible for all use of the Services under its control, including use by employees, contractors, agents and authorised third parties;

(g) not provide the Services to any third party without the Supplier's prior written consent;

(h) ensure it has suitable licences in place for any third-party software or systems not supplied by the Supplier which are required for the Supplier to provide the Services;

(i) keep secure from third parties any passwords, credentials or access details issued by the Supplier;

(j) virus-check and security-check all data and materials supplied to the Supplier;

(k) permit the Supplier to install, update, upgrade and maintain software required to provide the Services;

(l) provide a reasonable level of assistance in implementation, testing, change management and service delivery;

(m) maintain and allow the Supplier continuous global admin access or equivalent required administrative access to relevant Microsoft, cloud and service portals for the duration of the Agreement unless otherwise set out in the Specification;

(n) where Microsoft products are procured, adhere to the CSP Agreement, which is a direct agreement between the Client and Microsoft and is a condition of the Microsoft Cloud Solution Provider programme;

(o) where Microsoft cloud services are deployed or utilised, permit the Supplier to be assigned as Digital Partner of Record, Claiming Partner of Record, partner, reseller or equivalent for a minimum of twelve months from project completion unless otherwise agreed;

(p) sign and return any Microsoft Proof of Execution or similar vendor document within seven days of issue where applicable;

(q) adhere to dates scheduled for Services by the Supplier;

(r) maintain appropriate backups, cyber security protections, insurance, business continuity arrangements and disaster recovery plans unless such services are expressly included in the Specification;

(s) promptly notify the Supplier of any change of address, premises, site, network, ownership, control, billing contact, finance contact or key contact;

(t) promptly notify the Supplier of any actual or threatened insolvency, administration, restructuring, business sale, asset sale or inability to pay debts;

(u) ensure that any person placing Orders or giving instructions has authority to bind the Client; and

(v) comply with all reasonable policies, security requirements and instructions issued by the Supplier.

3.2 If the Supplier considers that the Client is not, or may not be, complying with any Client obligation, the Supplier shall be entitled to rely on such non-compliance as relieving the Supplier's performance to the extent affected.

3.3 The Client agrees and acknowledges that applicable Licence Agreements, Third-Party Terms and the CSP Agreement shall form part of this Agreement where relevant.

3.4 The Client gives express authority to the Supplier to accept, administer or agree Licence Agreements and Third-Party Terms on behalf of the Client to the extent necessary to provide the Goods, Services or Licences.

3.5 The Client shall not hold the Supplier liable for loss or damage arising from the Supplier accepting or administering such Licence Agreements or Third-Party Terms where reasonably necessary to provide the Goods, Services or Licences.

3.6 The Client warrants that any designated primary contact, finance contact, director, manager, service desk requester or authorised user has sufficient authority to give

instructions on behalf of the Client, including instructions to add Goods, Services or Licences.

3.7 The Client shall be bound by instructions given by such authorised persons where accepted and acted upon by the Supplier.

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4. Supplier's Obligations

4.1 The Supplier warrants that the Services will be performed with reasonable skill and care and in accordance with the Specification in all material respects.

4.2 The warranty in Clause 4.1 shall not apply to the extent any non-conformance is caused by:

(a) use of the Services contrary to the Supplier's instructions;

(b) Client breach of this Agreement;

(c) third-party systems, services or suppliers;

(d) Client hardware, software, network or connectivity issues;

(e) Client failure to implement recommended updates, security controls or upgrades; or

(f) events outside the Supplier's reasonable control.

4.3 If the Services do not conform with Clause 4.1, the Supplier shall use commercially reasonable endeavours to correct the non-conformance or provide the Client with an alternative means of achieving the intended performance.

4.4 This Agreement shall not prevent either party from entering into similar agreements with third parties or from developing, selling, using or licensing materials, products or services similar to those provided under this Agreement.

4.5 The Supplier shall:

(a) maintain a support desk staffed by suitably skilled individuals, whether employees, contractors or subcontractors;

(b) maintain personnel skilled in the relevant platforms and systems used to deliver the Services;

(c) undertake reasonable communication with the Client regarding service needs;

(d) be a bona fide licensed user of third-party software and Supplier software used by the Supplier;

(e) notify the Client promptly if the Supplier is unable to comply with any material term of this Agreement, any Licence Agreement or the CSP Agreement;

(f) use commercially reasonable endeavours to follow reasonable instructions of the Client;

(g) provide necessary co-operation in relation to this Agreement;

(h) comply with applicable laws and regulations; and

(i) carry out Supplier responsibilities in a timely and efficient manner.

4.6 The Supplier shall be under no obligation to provide Services:

(a) outside Normal Business Hours unless agreed in writing;

(b) not covered by the Agreement or Specification;

(c) for training in the use of upgrades unless agreed in writing;

(d) where support would have been unnecessary had the Client implemented recommended updates, patches or upgrades;

(e) while invoices remain unpaid;

(f) where doing so would create an unreasonable security, commercial, legal, financial or operational risk; or

(g) where prohibited or restricted by Third-Party Terms.

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5. Service Levels

5.1 The Supplier shall use commercially reasonable endeavours to provide the Services in accordance with any Service Levels set out in the Specification.

5.2 Where the Supplier fails to meet a Service Level, the Supplier shall use commercially reasonable endeavours to:

(a) establish the cause or reason for the failure;

(b) report the cause or reason to the Client;

(c) discuss the matter with the Client;

(d) undertake remedial action reasonably necessary to meet the Service Level; and

(e) notify the Client when the Supplier has achieved the Service Level.

5.3 The Supplier shall not be deemed to have failed to meet any Service Level where the failure is caused or contributed to by:

(a) a Client breach of this Agreement;

(b) a failure by the Client to provide access, information, authority or co-operation;

(c) a Force Majeure Event;

(d) third-party supplier failure;

(e) Microsoft, vendor or cloud outage;

(f) Client hardware, software, network or internet failure;

(g) cyber attack, malware or ransomware not directly caused by the Supplier; or

(h) maintenance or emergency security work.

5.4 Unless expressly stated in the Specification, response times are targets only and are not guaranteed resolution times or fix times.

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6. Fees, Direct Debit, Payment and Administration Charges

6.1 The Client shall pay the Supplier the Fees in accordance with the applicable Specification, quotation, invoice or Agreement. Unless otherwise agreed, Fees are exclusive of VAT, travel expenses, packaging, insurance, delivery, transport and any applicable copyright levies, environmental charges or statutory fees.

6.2 Invoices may be raised weekly, monthly, annually, in advance, in arrears, on delivery, on renewal, on completion, on consumption or as set out in the Specification.

6.3 All invoices relating to monthly recurring Services shall be payable in full by Direct Debit on the 1st day of each calendar month for that month, unless otherwise specified. Some Services may be billed the following month due to the nature of those Services.

6.4 All non-recurring invoices shall be payable in full and cleared funds within fourteen days from the date of invoice and may be collected by Direct Debit unless otherwise set out in the Specification.

6.5 Time for payment shall be of the essence.

6.6 The Client shall pay all invoices without deduction, withholding, set-off, counterclaim or retention unless required by law.

6.7 Unless otherwise specified in the Specification, all recurring monthly Fees are priced on the basis that payment shall be made by active Direct Debit.

6.8 Any discounted pricing, preferential pricing, bundle pricing, managed service discount, support discount, licence discount or reduced rate offered by the Supplier is conditional upon:

(a) payment being made by active Direct Debit;

(b) all invoices being paid in full and on time;

(c) the Client complying with all payment obligations under this Agreement;

(d) the Client maintaining agreed contractual commitments and minimum terms;

(e) the Client not being in breach of this Agreement; and

(f) the Client not being subject to any insolvency event or material adverse financial event.

6.9 If:

(a) any Direct Debit mandate is cancelled, revoked, blocked, disputed, recalled or fails;

(b) any invoice becomes overdue;

(c) any payment is reversed, recalled, charged back or dishonoured;

(d) the Client pays manually instead of by agreed Direct Debit;

(e) the Client enters administration, liquidation, insolvency or financial distress; or

(f) the Supplier reasonably believes there is increased credit or financial risk,

then the Supplier may immediately:

(i) remove any discounted pricing;

(ii) revert the applicable Goods, Services and Licences to RRP;

(iii) apply a non-Direct Debit surcharge of ten percent to affected invoices;

(iv) apply reasonable administration charges for failed collections, manual processing, account management and recovery activity;

(v) require payment in advance;

(vi) require a deposit or revised credit terms; and/or

(vii) suspend Services or Licences in accordance with this Agreement.

6.10 The Client acknowledges that discounted pricing is conditional upon compliance with agreed payment arrangements and that the non-Direct Debit surcharge reflects increased administrative, operational, banking, collection and credit-related costs incurred by the Supplier.

6.11 The Supplier reserves the right to charge reasonable administration fees in respect of:

(a) failed Direct Debit collections;

(b) recalled, reversed or charged-back payments;

(c) manual payment handling;

(d) debt recovery activity;

(e) suspension and reactivation of Services;

(f) account reviews arising from payment default;

(g) re-establishment of payment arrangements;

(h) increased credit control activity; and

(i) any additional administrative or banking costs incurred as a result of the Client's breach of payment obligations.

6.12 Such administration fees may be invoiced immediately and shall become payable in accordance with this Clause 6.

6.13 In the event the Client is in breach of payment obligations, the Supplier may provide written notice of such breach specifying the nature of the breach and providing up to fourteen days to remedy the breach if capable of remedy. If the Client fails to remedy the breach, the Supplier may terminate or suspend Services without prejudice to any other rights or remedies.

6.14 The Supplier may obtain the Client's approval before incurring additional costs in relation to the Services, other than costs stated in the Specification, costs deemed approved in advance, third-party charges, vendor charges, licence charges, emergency costs, security costs or expenses not exceeding £500 excluding VAT per day.

6.15 Where the Services are provided on a time-and-materials basis:

(a) a day means a period of seven hours, including time spent travelling to and from Client premises or any other location where Services are performed, and including lunch and other breaks;

(b) overtime may be charged at the rate specified in the Specification or Supplier's current rate card;

(c) where charges are based on an hourly rate, any time spent which is less than one hour may be charged on a pro-rata basis per thirty minutes; and

(d) the Supplier may vary hourly or day rates during the Term by providing notice in writing.

6.16 The Supplier shall not be obliged to provide Services or deliver Goods while any invoice remains unpaid. If the Supplier chooses to continue supply, this shall not be a waiver of rights or remedies.

6.17 The Supplier may increase any Fees related to Third-Party Services, Licences, Microsoft services, CSP Managed Services, vendor services or distributor services in

line with increases imposed upon the Supplier by such third parties upon reasonable notice.

6.18 Subject to Clause 6.17, the Supplier reserves the right, on giving the Client thirty days' notice, to increase the Fees once in any twelve-month period.

6.19 Subject to Clause 6.17, Fees may increase annually with effect from each anniversary of the Specification in line with the Retail Prices Index, inflation, cost increases, wage increases, supplier increases, currency fluctuation or other relevant commercial circumstances.

6.20 If the Client disputes any invoice, it must notify the Supplier in writing within seven days of receipt of the invoice, providing full details of the dispute. If no dispute is raised within that period, the invoice shall be deemed accepted.

6.21 Without prejudice to any other remedy, if the Client fails to pay any amount properly due and payable, the Supplier may:

(a) charge interest on the overdue amount at a rate of four percent per annum above Barclays Bank plc base rate, accruing daily from the due date to the date of actual payment, whether before or after judgment;

(b) require payment in advance for Services or Licences not yet performed or supplied;

(c) decline to perform further Services in whole or in part;

(d) suspend Services, Licences and support;

(e) withdraw discounted pricing;

(f) apply RRP pricing;

(g) apply administration charges;

(h) recover reasonable debt collection and legal costs; and/or

(i) terminate this Agreement.

6.22 The Client shall not dispute any amounts paid after three months have elapsed from the date of invoice.

6.23 The Supplier may operate a single running account for the Client and, where applicable, the Client Group.

6.24 The Supplier may apply, allocate or reallocate any payment received from the Client or Client Group against any All Sums at the Supplier's discretion.

6.25 The Client shall not be entitled to allocate, appropriate or direct payment to any particular invoice, item, Goods, Service, Licence, asset or debt unless the Supplier expressly agrees in writing.

6.26 Any payment reference, remittance advice, purchase order number or description supplied by the Client shall not bind the Supplier unless expressly accepted in writing.

6.27 Payment for a particular invoice, item, Goods, Licence or Service shall not cause title to any Goods to pass where any All Sums remain outstanding.

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7. Security

7.1 The Supplier shall use reasonable technical and organisational measures to protect Services, systems and Client data handled by the Supplier in accordance with Good Industry Practice.

7.2 The obligations in Clause 7.1 shall not apply to Client networks, systems, software, hardware or environments that have not been maintained, patched, updated or secured in accordance with the Supplier's recommendations.

7.3 Each party shall promptly inform the other if it suspects or discovers any material security breach relevant to the Services and shall use commercially reasonable endeavours to remedy such breach.

7.4 The Client shall implement all reasonable security recommendations issued by the Supplier, including where applicable:

(a) multi-factor authentication;

(b) supported operating systems;

(c) endpoint protection;

(d) backup measures;

(e) patching;

(f) secure passwords;

(g) least privilege access;

(h) cyber security training; and

(i) appropriate insurance.

7.5 If the Client refuses or delays recommended security measures, the Supplier shall not be liable for losses arising from such refusal or delay.

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8. Warranties

8.1 Except for warranties expressly set out in this Agreement, Schedule 3 or the Specification, the Services are provided on an “as is” basis and the Client’s use of the Services is at its own risk.

8.2 The Supplier disclaims all other express or implied warranties to the fullest extent permitted by law, including warranties of merchantability, fitness for a particular purpose and warranties arising from course of dealing, usage or trade practice.

8.3 If a defect, fault or impairment in the Services causes a service interruption and the Supplier becomes aware of it, the Supplier shall use commercially reasonable endeavours to resolve it to the extent reasonably possible.

8.4 If the Supplier determines that a defect, fault or impairment results directly or indirectly from:

(a) negligence, act, omission or default of the Client;

(b) Client breach of this Agreement;

(c) operation, failure or malfunction of any network, equipment, hardware or software owned or controlled by the Client;

(d) third-party action;

(e) Microsoft, vendor or distributor failure;

(f) Client failure to follow advice; or

(g) unsupported or outdated systems,

the Supplier may recover from the Client all reasonable costs incurred in connection with investigating, mitigating or remedying the issue.

8.5 Unless otherwise agreed, if the Client accesses Services through the public internet or through a circuit or provider chosen by the Client, the Client assumes responsibility for managing that provider relationship.

8.6 If the Client moves premises, changes a site, opens a new site or materially changes IT infrastructure, it must notify the Supplier in advance. The Supplier may inspect the infrastructure and quote for any additional work required.

8.7 The Supplier will request approval from the Client before making significant planned changes to Services where reasonably practicable.

8.8 The Supplier may arrange scheduled downtime in advance where reasonably practicable.

8.9 The Supplier is not responsible for unscheduled downtime due to anything outside its reasonable control.

8.10 The Supplier and its subcontractors may suspend Services to carry out scheduled or emergency maintenance, security work or repairs.

8.11 The Supplier may carry out network management routines to test operations and functions of relevant Services.

8.12 The Supplier reserves the right to take action it reasonably considers necessary to protect the Client's systems, the Supplier's systems or any third-party systems, even where this may impact Client business activities.

8.13 The Supplier does not warrant that the Client's use of the Services will be uninterrupted, error-free or completely secure.

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9. Acceptance

9.1 The relevant Specification shall specify which Deliverables are subject to acceptance testing and the framework for such testing.

9.2 Unless otherwise specified, the Client shall have five Business Days from delivery of each Deliverable to confirm whether the Deliverable conforms to the agreed acceptance criteria.

9.3 If the Client determines that a Deliverable does not conform to the acceptance criteria, it shall notify the Supplier in writing before the end of the acceptance period, providing full details of the alleged non-conformities.

9.4 If the Client fails to reject a Deliverable within the acceptance period, the Deliverable shall be deemed accepted.

9.5 Once a Deliverable has been accepted and payment has been received in full in accordance with this Agreement, ownership shall pass only to the extent expressly provided in Clause 15 and subject to any retention, licence or third-party rights.

9.6 If non-conformities are notified during the acceptance period and are directly attributable to the Supplier, the Supplier shall carry out necessary remedial work without additional charge.

9.7 If non-conformities cannot be remedied due to matters outside the Supplier's control, the Supplier may terminate work on the specific Deliverable and shall not charge amounts specifically relating to the non-conforming Deliverable which cannot be remedied.

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10. Term and Termination

10.1 This Agreement shall commence on the Commencement Date. Each Specification shall commence on the Services commencement date specified in that Specification and shall remain in force for the Initial Term unless terminated earlier in accordance with this Agreement.

10.2 Thereafter, this Agreement and each Specification shall automatically renew for successive twelve-month Renewal Terms unless either party gives written notice to the other not later than sixty days before the end of the Initial Term or relevant Renewal Term.

10.3 Without prejudice to accrued rights, either party may terminate this Agreement and any applicable Specification with immediate effect by giving written notice if the other party:

(a) commits a material breach of this Agreement and, where remediable, fails to remedy that breach within thirty days of written notice;

(b) fails to pay any invoice when due, which shall be deemed a material breach;

(c) suspends or threatens to suspend payment of debts;

(d) is unable to pay debts as they fall due or is deemed unable to pay debts within the meaning of section 123 of the Insolvency Act 1986;

(e) enters administration, liquidation, receivership, moratorium, restructuring, CVA, scheme of arrangement or any similar process;

(f) files or is subject to a notice of intention to appoint administrators;

(g) has a winding-up petition threatened or presented;

(h) suspends or ceases, or threatens to suspend or cease, all or a substantial part of its business;

(i) undergoes a change of control, business sale, asset sale or restructuring which the Supplier reasonably considers creates increased credit risk;

(j) breaches any Licence Agreement, CSP Agreement or Third-Party Terms; or

(k) acts in a way which, in the Supplier's reasonable opinion, creates a security, legal, regulatory, financial or reputational risk.

10.4 Fixed-term Services, Licences, subscriptions, CSP commitments and third-party commitments may not be cancelled early unless expressly agreed in writing.

10.5 Termination of this Agreement shall not automatically terminate any third-party Licence, Microsoft commitment, subscription or fixed-term commitment where the Supplier remains liable to the third-party provider.

10.6 Any termination rights are without prejudice to any rights, remedies, obligations or liabilities accrued before termination.

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11. Consequences of Termination

11.1 On termination or expiry of this Agreement or any Specification for any reason, the Client shall pay the Supplier:

(a) all outstanding Fees;

(b) all unpaid invoices;

(c) all charges incurred up to and including the date of termination;

(d) all third-party charges, vendor charges and licence charges;

(e) all charges for the remainder of any fixed term, subscription term or licence commitment;

(f) all early termination charges;

(g) all administration charges;

(h) all interest and recovery costs; and

(i) any other All Sums due under this Agreement.

11.2 If this Agreement or any Specification is terminated due to early cancellation by the Client, Client breach, non-payment or Client insolvency, the Client shall be liable to pay the remaining balance of the Agreement or relevant Specification, calculated as the current monthly service rate multiplied by the number of months remaining in the contract period, plus any third-party charges, licence commitments and an additional administration fee equal to one month of the current monthly service rate.

11.3 Termination shall not affect:

(a) accrued rights;

(b) payment obligations;

(c) Licence commitments;

(d) retention-of-title rights;

(e) confidentiality obligations;

(f) data protection obligations;

(g) limitation of liability;

(h) intellectual property rights;

(i) non-solicitation obligations;

(j) third-party terms;

(k) recovery rights; or

(l) any clause intended to survive termination.

11.4 The Supplier may withhold handover, migration, documentation, administrative access, transition support or other exit assistance until all All Sums are paid, except where prohibited by law.

11.5 The Supplier may charge for any exit, migration, handover, export, transfer or transition assistance at its then-current rates.

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12. Limitation of Liability

12.1 Nothing in this Agreement shall limit or exclude either party's liability for:

(a) death or personal injury caused by negligence;

(b) fraud or fraudulent misrepresentation; or

(c) any liability which cannot lawfully be limited or excluded.

12.2 The Supplier's liability for breach of its obligations under Clause 15 and Clause 17 shall be limited to £250,000 in the aggregate.

12.3 Subject to Clause 12.1, neither party shall be liable to the other, whether in contract, tort including negligence, breach of statutory duty or otherwise, for:

(a) loss of profits;

(b) loss of sales;

(c) loss of business;

(d) loss of business opportunity;

(e) loss of agreements or contracts;

(f) loss of actual or anticipated savings;

(g) loss of reputation;

(h) loss of goodwill;

(i) loss of, damage to or corruption of data;

(j) loss caused by third-party suppliers;

(k) loss caused by Microsoft, vendor, distributor, cloud or hosting provider failure;

(l) loss caused by cyber attack, malware, ransomware or unauthorised access unless directly caused by the Supplier's negligence;

(m) loss caused by the Client's failure to follow advice;

(n) indirect loss; or

(o) consequential loss.

12.4 Subject to Clauses 12.1, 12.2 and 12.3, the parties' total liability to the other arising under or in connection with:

(a) Goods shall be limited to the replacement value of the Goods and strictly in line with manufacturer warranties and refund policies as set out in Schedule 3; and

(b) Services shall be limited to one hundred and twenty-five percent of the total Fees paid for the related Service during the twelve months preceding the date on which the claim arose.

12.5 Where a claim relates to Third-Party Services, Products, Microsoft services, Licences, software, cloud services or vendor products, the Supplier's liability shall not exceed the amount recoverable by the Supplier from the relevant third-party supplier, vendor, distributor or licensor.

12.6 The Client is responsible for maintaining appropriate insurance, cyber insurance, business interruption insurance, backups, disaster recovery plans and business continuity arrangements.

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13. Service Review and Governance

13.1 The Client and Supplier may hold regular service review meetings to monitor and review performance of this Agreement where agreed in the Specification.

13.2 The Supplier may provide service reports, recommendations, roadmaps or security advice from time to time.

13.3 The Client remains responsible for deciding whether to approve recommended work, upgrades, security improvements or changes unless expressly agreed otherwise.

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14. Confidentiality

14.1 Each party shall treat all confidential information disclosed by the other party in connection with the Services as confidential during the Term and for two years thereafter.

14.2 Confidential information shall be used solely for the purposes of this Agreement and shall not be disclosed to any third party without prior consent except as permitted by this Agreement.

14.3 Each party may disclose confidential information to employees, officers, agents, subcontractors, insurers, legal advisers, accountants, auditors, funders, insolvency office-holders and professional advisers where necessary and subject to appropriate confidentiality obligations.

14.4 Confidentiality obligations shall not apply to information which:

(a) is in the public domain other than as a result of breach;

(b) was already lawfully in the receiving party's possession;

(c) was lawfully received from a third party;

(d) is required to be disclosed by law, court order, regulator, tribunal, securities exchange or governmental body; or

(e) was independently developed without use of confidential information.

14.5 Confidential information means all confidential information, however recorded or preserved, disclosed by a party or its representatives to the other party in connection with this Agreement which is labelled confidential or should reasonably be considered confidential due to its nature or manner of disclosure.

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15. Intellectual Property and Supplier Software

15.1 Subject to Clause 15.2 and upon the Supplier receiving payment in full of all relevant Fees and All Sums, all Intellectual Property Rights in bespoke materials or code created exclusively for the Client under the Services shall vest in the Client, unless otherwise specified in the Specification.

15.2 The Supplier and its licensors shall retain exclusive ownership of:

(a) all pre-existing intellectual property, templates, processes, tools, methods, scripts, know-how, documentation, methodologies and software;

(b) all ideas, concepts, techniques and know-how discovered, created or developed by the Supplier during performance of the Services that are not based on or derived from Client confidential information;

(c) reusable code, libraries, workflows, automations, tools and general-purpose materials;

(d) Supplier software; and

(e) third-party software, third-party intellectual property and vendor materials.

15.3 The Supplier grants the Client a non-exclusive, revocable, worldwide, royalty-free, non-transferable licence to use Supplier Intellectual Property only to the extent necessary to receive and use the Services during the Term.

15.4 Intellectual Property Rights means all patents, rights to inventions, copyright, neighbouring and related rights, moral rights, trademarks, service marks, business names, domain names, goodwill, design rights, software rights, database rights, confidential information rights and all similar rights anywhere in the world.

15.5 Where software has been written or developed by the Supplier for the Client, the Client acknowledges that it may only be compatible with current versions of other software and hardware. The Supplier gives no guarantee of compatibility with later versions unless expressly agreed.

15.6 Unless otherwise agreed in writing, the Supplier is under no obligation to provide updates, upgrades, add-ons or ongoing support for bespoke software.

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16. Third-Party Services, Microsoft and CSP Commitments

16.1 The Supplier may, if requested by the Client, procure Third-Party Services as set out in the applicable Specification.

16.2 The Supplier expressly excludes any warranty that Third-Party Services will operate substantially in accordance with marketing, sales or associated documentation.

16.3 The Client shall remain liable for all payments owed to the Supplier from the point of acquisition, ordering, provisioning, renewal or commitment until the end of the respective licence, subscription or service term.

16.4 The Client shall adhere to all end user licence agreements, CSP Agreements, Third-Party Terms and vendor agreements relating to Third-Party Services.

16.5 The Client acknowledges and agrees that:

(a) many Microsoft, CSP, cloud and Third-Party Services are subject to minimum commitment periods, annual terms, monthly terms, cancellation restrictions and vendor-imposed liabilities;

(b) the Supplier may remain liable to Microsoft, distributors and third-party vendors for such commitments irrespective of whether the Client continues to use the relevant services;

(c) the Client shall remain liable for all Fees and charges relating to such commitments for the full committed term;

(d) the Client's liability shall continue notwithstanding termination, suspension, insolvency, administration, business closure, reduction in users, migration to another provider or non-use of the relevant services;

(e) such Fees shall form part of Fees and liabilities recoverable under this Agreement;

(f) Licences may have no resale or recoverable value to the Supplier following cancellation, suspension, insolvency, administration, termination or non-payment; and

(g) non-use of Licences shall not release the Client from payment obligations.

16.6 The Supplier shall only be liable to the extent permitted under the applicable Licence Agreement for acts or omissions of third parties.

16.7 The Supplier shall not be liable for acts, omissions, outages, suspensions, restrictions, changes or failures of Microsoft, vendors, distributors, cloud providers, hosting providers or other third parties.

16.8 The Client shall indemnify the Supplier against all claims, charges, licence fees, vendor fees, distributor fees, cancellation fees, early termination charges, losses, damages, costs and expenses arising from Third-Party Services ordered, used, committed to or procured for the Client.

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17. Client Personal Data

17.1 For the purposes of Clauses 17.1 to 17.14, the following definitions apply.

Applicable Data Protection Legislation means all applicable data protection and privacy legislation in force from time to time in the United Kingdom, including the UK GDPR, Data Protection Act 2018 and Privacy and Electronic Communications Regulations 2003, and where applicable the EU GDPR.

Client Personal Data means any personal data which the Supplier processes in connection with this Agreement as processor on behalf of the Client.

UK GDPR has the meaning given in section 3(10), as supplemented by section 205(4), of the Data Protection Act 2018.

17.2 The terms controller, processor, data subject, personal data, personal data breach and processing shall have the meanings given in Applicable Data Protection Legislation.

17.3 Both parties shall comply with all applicable requirements of Applicable Data Protection Legislation.

17.4 The parties have determined that, for the purposes of Applicable Data Protection Legislation, the Supplier shall process the personal data set out in Schedule 1 as processor on behalf of the Client.

17.5 The Client shall ensure that it has all necessary rights, lawful bases, consents and notices to enable lawful transfer of Client Personal Data to the Supplier for the duration and purposes of this Agreement.

17.6 In relation to Client Personal Data, Schedule 1 sets out the scope, nature and purpose of processing, duration, types of personal data and categories of data subject.

17.7 The Supplier shall, in relation to Client Personal Data:

(a) process Client Personal Data only on documented instructions of the Client, which shall include processing necessary to provide the Services;

(b) implement appropriate technical and organisational measures to protect against unauthorised or unlawful processing and accidental loss, destruction or damage;

(c) ensure personnel authorised to process Client Personal Data are subject to confidentiality obligations;

(d) assist the Client, at the Client's cost and written request, in responding to data subject requests and complying with security, breach notification, impact assessment and supervisory authority obligations;

(e) notify the Client without undue delay on becoming aware of a personal data breach involving Client Personal Data;

(f) at the written direction of the Client, delete or return Client Personal Data and copies on termination unless required by law to continue processing; and

(g) maintain records to demonstrate compliance and allow reasonable audits on reasonable written notice.

17.8 The Client gives the Supplier prior general authorisation to appoint sub-processors to process Client Personal Data.

17.9 The Supplier shall ensure that sub-processor terms comply with Applicable Data Protection Legislation and are consistent with obligations imposed on the Supplier.

17.10 The Supplier shall remain responsible for the acts and omissions of sub-processors as if they were acts and omissions of the Supplier.

17.11 The Supplier shall inform the Client of intended changes concerning addition or replacement of processors, giving the Client the opportunity to object where required by Applicable Data Protection Legislation.

17.12 If the Client objects and cannot demonstrate to the Supplier's reasonable satisfaction that the objection is due to an actual or likely breach of Applicable Data Protection Legislation, the Client shall indemnify the Supplier for losses, damages, costs and expenses suffered in accommodating the objection.

17.13 The Client authorises the Supplier to transfer Client Personal Data outside the UK as required to deliver the Services, provided that transfers are made in accordance with Applicable Data Protection Legislation.

17.14 The Client shall promptly comply with reasonable requests from the Supplier relating to data transfer safeguards, including entry into standard data protection clauses where required.

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18. No Partnership or Agency

18.1 Nothing in this Agreement is intended to, or shall be deemed to, establish a partnership or joint venture between the parties.

18.2 Nothing in this Agreement shall constitute either party as agent of the other party or authorise either party to make or enter commitments for or on behalf of the other, except as expressly stated in relation to Licence Agreements and Third-Party Services.

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19. Assignment

19.1 The Supplier may assign, transfer, subcontract, novate or otherwise deal with the whole or any part of this Agreement, including rights and obligations, without the prior written consent of the Client.

19.2 The Client shall not assign, transfer, charge, subcontract, novate or otherwise deal with its rights or obligations under this Agreement without the Supplier's prior written consent.

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20. Entire Agreement, Counterparts and Updated Terms

20.1 This Agreement, each Specification, any documents referred to in them and any agreed variation constitute the entire agreement between the parties and supersede all previous agreements, promises, assurances, warranties, representations and understandings relating to the subject matter.

20.2 Each party agrees that it has no remedies in respect of any statement, representation, assurance or warranty not set out in this Agreement, except in respect of fraud.

20.3 The Supplier may amend these Terms and Conditions from time to time.

20.4 Updated Terms and Conditions may be published on the Supplier's website or otherwise notified to the Client by email, invoice notice, portal notification, quote notice, service desk notice or other reasonable means.

20.5 The Client acknowledges and agrees that:

(a) it is responsible for reviewing the current Terms and Conditions at least once in every twelve-month period;

(b) it is responsible for reviewing the current Terms and Conditions before placing any material new Order, accepting any new quotation, renewing any subscription, entering any new Licence commitment or continuing any renewed service period;

(c) continued use of Services, acceptance of Goods, renewal of Services, placement of Orders, payment of invoices or continued trading with the Supplier after publication or notification of updated Terms and Conditions shall constitute acceptance of the updated Terms and Conditions; and

(d) the version of the Terms and Conditions in force at the date of any Order, renewal, service period, Licence commitment or supply shall apply to that transaction unless otherwise agreed in writing.

20.6 Amendments affecting retention of title, payment allocation, group liability, insolvency rights, suspension rights, limitation of liability, security, guarantees, Direct Debit pricing, administration charges or Licence commitments shall apply to Orders, renewals, service periods, Licence commitments and supplies arising after the amendment unless expressly agreed otherwise in writing.

20.7 The Supplier shall not be required to obtain a new signature for each update where the Client has signed a Master Services Agreement agreeing to be bound by these Terms as updated from time to time.

20.8 This Agreement may be executed in counterparts, each of which shall constitute a duplicate original, but all counterparts shall together constitute one agreement.

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21. Severance

21.1 If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable.

21.2 If such modification is not possible, the relevant provision or part-provision shall be deemed deleted.

21.3 Any modification or deletion shall not affect the validity and enforceability of the rest of this Agreement.

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22. Third-Party Rights

22.1 Except for Microsoft in respect of enforcing the CSP Agreement, no person other than a party to this Agreement shall have any right to enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

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23. Notices

23.1 Any notice or communication required under this Agreement shall be in writing and may be delivered by hand, sent by pre-paid first class post or next working day delivery service to the registered office or principal place of business, or sent by email to the email address set out in the Specification or otherwise notified by either party.

23.2 Notices may be sent to any director, finance contact, billing contact, service contact, primary contact or email address used by the Client in dealing with the Supplier.

23.3 The Client shall keep all contact details up to date.

23.4 Any notice or communication shall be deemed received:

(a) if delivered by hand, on signature of a delivery receipt;

(b) if sent by post, at 9:00am on the second Business Day after posting or at the time recorded by the delivery service; or

(c) if sent by email, on the next Business Day after it was sent, provided no delivery failure notification is received.

23.5 This Clause does not apply to service of proceedings or documents in legal action, arbitration or other dispute resolution.

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24. Force Majeure

24.1 Neither party shall be deemed in breach of this Agreement or liable for delay or failure in performing obligations due to a Force Majeure Event.

24.2 A Force Majeure Event means any cause preventing performance which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the affected party, including act of God, war, terrorism, riot, civil commotion, pandemic, epidemic, compliance with law or government order, flood, storm, fire, power failure, internet failure, supplier failure, vendor failure, Microsoft outage, cloud outage, cyber incident not caused by the Supplier, sanctions, import restrictions or other events beyond reasonable control.

24.3 A party claiming relief under this Clause shall:

(a) inform the other party as soon as reasonably possible that a Force Majeure Event has occurred and its expected duration; and

(b) use reasonable endeavours to mitigate, overcome or minimise the effects of the event.

24.4 If the period of delay or non-performance continues for six months or more, either party may terminate the affected Agreement by giving fourteen days' written notice.

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25. Non-Solicitation

25.1 The Client shall not solicit, employ, engage or attempt to solicit, employ or engage any Supplier staff or contractors who have been employed or engaged in the Services or performance of this Agreement during the Term and for twelve months thereafter.

25.2 For the purposes of this Clause, "solicit" means soliciting with a view to engaging such person as an employee, director, subcontractor, consultant or independent contractor.

25.3 If the Client breaches Clause 25.1, the Client shall pay the Supplier liquidated damages equal to fifty percent of the gross annual current spend with Blue Spot as at the time of breach or when such person was last in service of the Supplier.

25.4 The parties acknowledge and agree that the formula in Clause 25.3 is a reasonable estimate of loss which would be incurred by the Supplier.

25.5 This Clause is without prejudice to the Supplier's ability to seek injunctive relief.

25.6 Any current contracts or agreements between Supplier and Client shall remain active notwithstanding liquidated damages under this Clause. If the Client wishes to cancel any maintenance agreement or contracted agreement, it shall remain liable for cancellation fees in accordance with this Agreement.

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26. Anti-Bribery

26.1 The parties shall comply with all applicable laws, regulations and sanctions relating to anti-bribery and anti-corruption, including the Bribery Act 2010.

26.2 Neither party shall offer, give, request or accept any bribe, inducement, facilitation payment or improper benefit in connection with this Agreement.

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27. Governing Law and Jurisdiction

27.1 This Agreement and any dispute or claim, including non-contractual disputes or claims, arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

27.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation.

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28. Insolvency, Administration and Financial Distress

28.1 The Client shall notify the Supplier immediately if:

(a) it cannot pay debts as they fall due;

(b) it proposes a CVA, restructuring, moratorium, scheme or arrangement with creditors;

(c) a winding-up petition is threatened or presented;

(d) a notice of intention to appoint administrators is filed;

(e) administrators are appointed;

(f) liquidators, receivers or other office-holders are appointed;

(g) it ceases or threatens to cease trading;

(h) it sells or proposes to sell all or a substantial part of its business or assets;

(i) there is a change of ownership or control; or

(j) any event occurs which is similar to the above.

28.2 Upon any such event, all All Sums shall become immediately due and payable.

28.3 The Supplier may suspend Services, Licences, support, access, administration, monitoring, backup, hosting and cloud services to the extent permitted by law and Third-Party Terms.

28.4 The Client shall immediately identify all Goods supplied by the Supplier and preserve them.

28.5 The Client shall provide the Supplier with an asset list, serial numbers, site locations, user lists, access information and any other information reasonably required to identify Goods.

28.6 The Client shall notify any administrator, liquidator, receiver, monitor, purchaser, lender or proposed purchaser of the Supplier's rights under this Agreement, including retention-of-title rights.

28.7 The Supplier reserves all rights to assert ownership, claim delivery up, seek consent to recover Goods, apply to court, prove for debt, claim damages, claim costs and pursue any other remedy.

28.8 The Client shall not sell, transfer, charge, pledge, dispose of, encumber or interfere with Goods to which title has not passed.

28.9 Where required by law, the Supplier shall seek consent of the administrator, liquidator or court before enforcing rights against the Client or its property.

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29. Client Group, Related Companies and Change of Ownership

29.1 Where Goods, Services or Licences are ordered by, supplied to, used by, installed at, invoiced to, paid for by, managed for or otherwise provided for the benefit of more than one company within the Client Group, the Supplier may treat those supplies as forming part of one overall trading relationship and running account.

29.2 Each member of the Client Group shall be liable for All Sums where that member has:

(a) signed an Agreement;

(b) accepted these Terms;

(c) placed an Order;

(d) received Goods, Services or Licences;

(e) used or benefited from Goods, Services or Licences;

(f) paid invoices relating to Goods, Services or Licences;

(g) been named in a Specification, service schedule, licence schedule, quote or Order; or

(h) otherwise represented that it is bound by the Agreement.

29.3 Where more than one member of the Client Group is bound by this Agreement, each such member shall be jointly and severally liable for All Sums unless expressly agreed otherwise in writing by the Supplier.

29.4 No company shall be liable merely because it is part of the same corporate group unless it has signed, accepted, ordered, received, used, benefited from, guaranteed or otherwise agreed to be bound by the relevant Agreement.

29.5 A change in ownership, shareholders, directors, management or control of the Client shall not affect the Client's obligations under this Agreement.

29.6 If the Client is sold by way of share sale, the Client remains bound by all existing Agreements, Orders, debts, commitments and liabilities.

29.7 If the Client transfers its business or assets to another company, the Client shall remain liable for All Sums unless the Supplier expressly agrees in writing to release the Client.

SCHEDULE 1 — Particulars of Data Processing

Matter	**Details**
Nature of processing	As set out in the Specification and Agreement.
Purpose of processing	For the purpose of providing IT services and support to the Client's business. In the case of staff data, for the purpose of providing IT services and support in relation to employment and HR matters.
Duration of processing	For the term of the relevant Specification and for such period as is required for legal, regulatory, backup, audit or legitimate business purposes.
Types of personal data	Name, job title, email address, phone number, business address, home address where provided, user credentials, device data, account data, support ticket data, usage data and any other personal data provided by the Client to the Supplier.
Categories of data subject	Customers of the Client, employees and contractors of the Client, Client third parties, suppliers, business contacts and general contacts.
Additional instructions	None unless specified in the Specification.

SCHEDULE 2 — Microsoft CSP Agreement Additional Terms

1. CSP Managed Services

1.1 The Supplier is a reseller of Microsoft Cloud Solution Provider products and services.

1.2 Where the Services include CSP Managed Services, the CSP Managed Services shall be provided in accordance with the Specification, this Schedule and the Agreement.

1.3 In the event of conflict in respect of CSP Managed Services only, this Schedule shall prevail over the main body of the Agreement. For all other Services, the Agreement shall apply.

2. Interpretation

In this Schedule:

Cap means the total monthly volume of Microsoft services which the Client is permitted to use where such cap is specified.

Consumption Subscriptions means licences or services billed based on actual usage in the preceding month.

Minimum Users means the minimum users provisioned from time to time.

Online Service means Microsoft-hosted online services subscribed to by the Client under the Agreement, including Microsoft 365, Azure, Intune, Dynamics and other Microsoft services.

Products means Microsoft products.

Subscription means the purchase of a Subscription Service.

Subscription Service means a right to use Products for a defined term.

Third Party Distributor means the third party who sells Products to the Supplier.

3. Service Provision

3.1 By submitting an Order through the Specification, the Client:

(a) represents that subscription commitments and requirements disclosed are complete and accurate;

(b) agrees to pay the Supplier for all Orders submitted for Products and CSP Managed Services;

(c) agrees to the Agreement, Specification and CSP Agreement;

(d) acknowledges that CSP Managed Services may be subject to Microsoft terms and conditions; and

(e) authorises the Supplier to provision, administer, modify, renew and manage CSP Managed Services on behalf of the Client.

3.2 By placing an Order with the Supplier, the Client represents and warrants that it has accepted the CSP Agreement.

3.3 Once an Order for a Subscription has been accepted by the Supplier:

(a) the Subscription shall continue for the duration of the Initial Term and any Renewal Term unless terminated in accordance with the Agreement, this Schedule and applicable Microsoft terms;

(b) adjustments may only be made to increase Minimum Users and not decrease below any current Minimum Users where restricted by Microsoft or Third-Party Terms;

(c) the Client shall remain liable for the full committed term; and

(d) non-use, insolvency, administration, migration or business closure shall not release the Client from payment obligations.

4. Client's Obligations

4.1 The Client shall adhere to the CSP Agreement and all Microsoft terms governing use of Subscription Services and Online Services.

4.2 The Client shall monitor its users, usage, consumption, security and licence requirements.

4.3 The Client shall not use Products outside the scope permitted by Microsoft terms.

4.4 The Client shall immediately notify the Supplier of any required changes but acknowledges that reductions, cancellations or downgrades may not be permitted during a commitment term.

5. Fees

5.1 Fixed Term Subscriptions:

(a) Products sold under fixed term Subscriptions are sold for the term specified in the Specification or applicable Microsoft commitment.

(b) The Specification shall specify whether Subscriptions are billed monthly, annually or otherwise.

(c) Any subsequent adjustments to annual Subscriptions made mid-billing cycle, including adding users, may be invoiced and payable at the time of Order.

(d) Any subsequent adjustments to monthly Subscriptions made mid-billing cycle may be calculated and post-billed at the next invoice.

(e) The Client shall remain liable for all charges for the committed term.

5.2 Consumption Subscriptions:

(a) Consumption Subscriptions do not expire unless cancelled in accordance with Microsoft terms, the Specification and this Agreement.

(b) Usage before transfer, cancellation or change takes effect shall be billed at the next scheduled invoice date.

(c) Pricing will be based on pricing effective during the relevant billing cycle and may change during the subscription period.

(d) The Client shall pay all usage and is responsible for monitoring consumption.

(e) The Supplier may establish a technical lock or barrier preventing utilisation in excess of a Cap where agreed.

(f) If the Client utilises Products in excess of a Cap, the Client shall pay all fees and expenses in accordance with actual use.

(g) Any dysfunction, non-use or absence of a barrier shall not release the Client from paying fees and costs in accordance with actual utilisation.

5.3 Fees may increase annually with effect from each anniversary of the Specification in line with the Retail Prices Index, inflation or other cost increases.

5.4 The Supplier may increase any Fees related to Subscription Services in line with increases imposed by Microsoft, distributors or applicable Third-Party Terms.

5.5 The Supplier may change credit or payment terms for unfilled Orders or ongoing supply if the Supplier reasonably believes the Client's financial condition, payment record or relationship merits such change.

5.6 The Supplier may withdraw discounts, apply RRP, apply a non-Direct Debit surcharge and apply administration charges in accordance with Clause 6.

6. Intellectual Property

6.1 The Client acquires only such limited rights to use Products as are expressly described in the CSP Agreement or applicable Microsoft terms.

6.2 Use beyond the scope permitted by the CSP Agreement shall constitute a material breach.

6.3 The Supplier is not liable for defects in, or delays related to, Products.

6.4 If a claim for infringement concerns a Product, Microsoft terms shall apply and such claim shall be a separate matter between the Client and Microsoft to the extent provided by Microsoft terms.

7. Limitation of Liability and Indemnity

7.1 The CSP Agreement governs the rights and responsibilities of the Client and Microsoft in relation to use of Subscription Services and Online Services.

7.2 The Supplier excludes liability in relation to Products and Microsoft services to the fullest extent permitted by law.

7.3 The Client shall indemnify the Supplier from and against all claims, costs, losses, damages, licence fees, vendor fees, distributor charges and expenses arising directly or indirectly from the Client's use of Subscription Services, reporting, ordering, consumption or commitments.

8. Term and Termination

8.1 Perpetual licences and subscription licences shall continue for the duration of their applicable subscription periods.

8.2 Unless otherwise specified in the Specification, the Client shall remain liable for all payments due in respect of licences until the end of the respective subscription period.

8.3 Termination of licences shall not affect other Services provided under this Schedule or Agreement.

8.4 The Supplier shall not be liable to the Client following termination, suspension or restriction of any Subscription by Microsoft, a distributor or any third-party provider.

8.5 The Supplier may terminate CSP Managed Services immediately on written notice if:

(a) payment of any amount due is overdue by ten Business Days or more, provided the Supplier has given ten days' written notice of failure to pay;

(b) Microsoft terminates the relevant licence or service;

(c) a Third Party Distributor terminates or restricts supply;

(d) termination is required or permitted by the CSP Agreement; or

(e) the Client becomes insolvent, enters administration or is unable to pay debts.

8.6 On termination for any reason:

(a) the Client shall pay all outstanding sums owing up to and including the date of termination;

(b) all licences granted under the Agreement shall terminate immediately except for fully paid perpetual licences where applicable;

(c) for metered Products billed periodically based on usage, the Client shall immediately pay for unpaid usage as of the termination date;

(d) the Client shall remain liable for all committed term charges; and

(e) any credit from Microsoft shall only be passed to the Client if actually received by the Supplier and not set off against All Sums.

SCHEDULE 3 — Supply of Goods

Definitions

In this Schedule, **Goods** means the goods to be provided as part of the Services, or any part of them, as set out in the Specification or otherwise agreed in writing between the parties.

1. The Goods

1.1 Any samples, drawings, descriptive matter, advertising, catalogue descriptions, brochures, website descriptions or illustrations produced by the Supplier are for the sole purpose of giving an approximate idea of the Goods described. They shall not form part of the Agreement or have contractual force.

1.2 The Supplier reserves the right to make changes in the specification of Goods required to conform with applicable legislation or which do not materially affect quality or performance.

1.3 If the Supplier cannot supply Goods ordered by the Client, the Supplier may offer Goods of equal or better quality at no extra cost. If the Client does not accept the alternative Goods, it may cancel the relevant Order and require a refund of money paid for that Order. This shall be the Client's sole remedy.

1.4 Where Goods are supplied by a third-party supplier, manufacturer or distributor, they will be supplied subject to applicable third-party terms and returns policies.

2. Prices

2.1 Prices for Goods shall be quoted to the Client upon receipt of an Order.

2.2 Notwithstanding any quotation, prices for Goods shall not be confirmed until the manufacturer, distributor or supplier has confirmed acceptance of the Order, at which point the price shall be established and the Order irrevocable.

2.3 The Supplier's provision of a quotation shall not be deemed acceptance of an Order.

2.4 The Supplier reserves the right to increase prices after quotation where there is an increase in third-party supplier cost, manufacturer cost, distributor cost, shipping cost, tax, levy, duty, currency fluctuation, availability cost or other direct cost.

2.5 Unless otherwise stated, prices exclude copyright levies, waste charges, environmental fees and similar charges which may be chargeable by law or statute.

3. Delivery

3.1 The Supplier shall endeavour to deliver Goods to the agreed delivery location on the agreed delivery date. Time for delivery shall not be of the essence.

3.2 If the Supplier fails to deliver Goods by the relevant delivery date after being given a reasonable opportunity to remedy delay, and except to the extent delay is caused by a third party or events outside the Supplier's control, the Supplier's liability shall be limited to costs and expenses incurred by the Client in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods.

3.3 The Supplier shall have no liability for failure or delay in delivery caused by:

(a) manufacturer, distributor, supplier or third-party delay;

(b) Force Majeure Event;

(c) Client failure to provide delivery instructions;

(d) Client failure to provide access; or

(e) Client breach of this Agreement.

3.4 If ten Business Days after the day on which the Supplier attempted delivery the Client has not taken delivery, the Supplier may resell or otherwise dispose of part or all of the Goods and, after deducting reasonable storage and selling costs, account to the Client for any excess over the price of the Goods or charge the Client for any shortfall below the price of the Goods.

3.5 The Supplier may deliver Goods by instalments, which may be invoiced and paid for separately.

3.6 The Client may not cancel an instalment because of delay or defect in another instalment.

4. Warranties

4.1 For Goods supplied to the Client, the Supplier shall pass on to the Client, to the extent it is able to do so, the benefit of any standard warranty or guarantee provided to end users by the manufacturer or third-party supplier.

4.2 The Supplier's liability for Goods shall be limited by the applicable manufacturer or third-party warranty.

4.3 The Supplier gives no additional warranty in respect of Goods unless expressly agreed in writing.

5. Title and Risk

5.1 Risk in Goods shall pass to the Client on delivery.

5.2 Title to Goods shall not pass to the Client until the Supplier has received payment in full, in cleared funds, of all sums due and owing by the Client to the Supplier on any account whatsoever, including Fees relating to Goods, Services, CSP Managed Services, Microsoft licences, cloud subscriptions, Third-Party Services, renewals, support services, consultancy, project work, cancellation charges, termination charges, administration fees, interest and any other liabilities under this Agreement or any related agreement between the parties.

5.3 The parties agree that the Supplier operates a running account with the Client and that payments received from the Client shall reduce the Client's overall indebtedness to the Supplier rather than being allocated to any specific Goods, invoice, asset, Service or Licence unless expressly agreed otherwise in writing by the Supplier.

5.4 Payment of any particular invoice, item, device, hardware asset, Licence or Service shall not cause title to any particular Goods to pass where any All Sums remain outstanding.

5.5 Until title to Goods has passed, the Client shall:

(a) hold the Goods as bailee and fiduciary custodian for the Supplier;

(b) not remove, deface or obscure identifying marks, serial numbers, asset tags or packaging;

(c) maintain the Goods in satisfactory condition;

(d) keep the Goods insured against all risks for their full replacement value from the date of delivery;

(e) keep the Goods clearly identifiable as the Supplier's property;

(f) not sell, assign, transfer, charge, pledge, lease, lend, dispose of or otherwise encumber the Goods;

(g) maintain accurate asset records and provide such records to the Supplier upon request;

(h) immediately notify the Supplier if Goods are damaged, lost, stolen, seized, moved, sold, threatened or at risk;

(i) immediately notify the Supplier if it becomes subject to administration, liquidation, insolvency proceedings, a notice of intention to appoint administrators or any event set out in Clause 10.3 or Clause 28;

(j) provide such information relating to the Goods as the Supplier may require; and

(k) ensure that any administrator, liquidator, receiver, purchaser, lender or third party is notified of the Supplier's ownership claim.

5.6 The Supplier may recover Goods in which title has not passed.

5.7 The Client irrevocably licences the Supplier, its officers, employees, contractors and agents to enter any premises of the Client, including with vehicles, to inspect, identify, protect, disconnect, disable, remove or recover Goods in which title has not passed.

5.8 The Client shall provide all reasonable access, co-operation and information required by the Supplier to identify and recover Goods.

5.9 The Client shall be liable for all costs of inspection, identification, protection, disconnection, removal, transport, storage, repair and recovery of Goods.

5.10 Where the Client is in administration, liquidation, moratorium or another insolvency process, the Supplier reserves the right to seek consent of the administrator, liquidator, office-holder or court as required.

5.11 The parties intend this Schedule 3 Clause 5 to operate as a retention-of-title provision and not as a charge or security interest over assets owned by the Client. However, to the extent any provision is held or alleged to create a charge, security interest, mortgage, pledge, lien or other registrable security, the Client shall, immediately upon request, execute all documents and provide all assistance required by the Supplier to create, perfect, register, preserve or enforce such security.

6. Cancellation

6.1 Once an Order for Goods has been accepted by the Supplier, no Order may be cancelled by the Client except with the Supplier's written agreement.

6.2 Any cancellation shall be on terms that the Client indemnifies the Supplier in full against all reasonable losses, costs, labour, materials, damages, charges, expenses, restocking fees, manufacturer charges, distributor charges and other liabilities incurred as a result of cancellation.

7. Return of Goods

7.1 Goods may only be returned in accordance with this Schedule.

7.2 Goods may only be returned in accordance with the Supplier's or third-party supplier's terms and returns policy.

7.3 Prior authorisation for return must be obtained from the Supplier or third-party supplier by such method as the Supplier may advise.

7.4 Return authorisation shall be at the Supplier's or third-party supplier's sole discretion.

7.5 Authorised returns must be returned by the Client in accordance with applicable return instructions.

7.6 The Supplier or third-party supplier may levy a reasonable administration or restocking charge in respect of returns.

QUOTE / ORDER FORM / INVOICE NOTICE

The following wording should be included on all quotations, proposals, order forms and invoices:

Important: Pricing is based upon payment by active Direct Debit and compliance with agreed payment terms. Cancellation or failure of Direct Debit, late payment or increased credit risk may result in immediate withdrawal of discounted pricing, application of standard RRP pricing, a 10% non-Direct Debit surcharge, administration charges and/or suspension of Services in accordance with our Terms and Conditions. Microsoft, CSP, cloud and third-party licences may be subject to fixed commitment periods and may remain payable for the full committed term even if no longer used, cancelled, suspended, migrated or affected by insolvency.

CLIENT ACKNOWLEDGEMENT

By signing a Specification, accepting a quotation, placing an Order, receiving Goods, using Services, accepting Licences, paying invoices, renewing Services or continuing to trade with the Supplier, the Client acknowledges that:

(a) it has read and understood this Agreement;

(b) its attention has been drawn to the important clauses identified above;

(c) it understands that Licence commitments may continue even if Services or Licences are no longer used;

(d) it understands that Direct Debit pricing is conditional upon active Direct Debit and prompt payment;

(e) it understands that cancellation or failure of Direct Debit may result in RRP pricing, a 10% non-Direct Debit surcharge and administration charges;

(f) it understands that title to Goods may not pass until all All Sums are paid;

(g) it understands that payments may be applied to the overall running account;

(h) it understands that related group companies may be liable where they sign, order, receive, use, benefit from or pay for Goods, Services or Licences;

(i) it has authority to enter into this Agreement; and

(j) it agrees to be bound by this Agreement.