



CSI Framework Agreement

CSI Ltd Terms and Conditions

Version: 1.1
Classification: CUSTOMER CONFIDENTIAL

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CSI limited
01623 726300
www.csilttd.co.uk
info@csilttd.co.uk





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Confidentiality

The information contained within this document is classified as Company Confidential and this document is submitted on the basis that it will be held in confidence and will not be disclosed, duplicated or used, in whole or in part, for any purpose other than to implement the projects and activities described here-in.

Products referred to in this document are trademarks of their respective owners or suppliers, and these trademarks are hereby acknowledged.

Disclaimer

CSI shall not be liable for any losses, damages, costs or expenses arising out of errors in connection with the preparation of this document, due to the provision to it of false, misleading or incomplete information or documentation or due to any acts or omissions of any other person. The Customer indemnifies CSI from any liability it may have to the Customer or any third party as a result of any information supplied to CSI by the Customer or any of its agents, where such information and documentation is false, misleading or incomplete in any material respect.

Revisions

	Date	Initials	Reason
1.0	23 rd April 2014	SB	Document approved by CSI Board
1.1	3 rd November 2014	SB	Added clause 5.12 & Annex clause 9

Associated Documents

Revision	Document

Abbreviations

Abbreviation	Definition



Signed for and on behalf of Computer Systems Integration Limited and the Customer on the Effective Date

Customer

Computer Systems Integration Limited

.....
(authorised signatory)

.....
(authorised signatory)

.....
(print name of signatory)

.....
(print name of signatory)

.....
(print title of signatory)

.....
(print title of signatory)

.....
(date)

.....
(date)



Terms and Conditions

1. AGREEMENT TO PROVIDE PRODUCTS, SERVICES OR MANAGED SERVICES

- 1.1. Customer accepts that Products, Services or Managed Services are supplied in consideration of the payment by Customer to CSI of the relevant Charges in accordance with Clause 5.
- 1.2. The supply of the Products, Services or Managed Services by CSI shall be governed by:
 - 1.2.1. any Statement of Work;
 - 1.2.2. this Agreement.
- 1.3. If there is an inconsistency between the terms of this Agreement and any Statement of Work, the relevant Statement of Work shall prevail.
- 1.4. Any Statement of Work confirmed by an Order Acknowledgement may only be varied in writing between the Parties.

2. GENERAL PROVISIONS RELATING TO PRODUCTS OR SERVICES OR MANAGED SERVICES

- 2.1. Unless otherwise provided for in a relevant Statement of Work, Products, Services or Managed Services provided by CSI to Customer under the Agreement shall be provided in Working Hours. Any Services provided outside Working Hours shall only be provided subject to specific prior agreement between CSI and Customer and, only if the Parties expressly agree, will be subject to CSI's standard out-of-hours Charges as provided to Customer from time to time.
- 2.2. CSI shall use reasonable endeavours to ensure that its Personnel:
 - 2.2.1. comply with all Customer's reasonable and lawful instructions in connection with their use and access to Customer's Site(s), Customer's Personnel and Customer's Environment in connection with the provision of the Products or Services;
 - 2.2.2. comply with all reasonable health and safety and security policies of Customer that are made known to its Personnel.



- 2.3. Unless otherwise agreed to the contrary in a Statement of Work, Customer shall be responsible for providing, at its own expense, such computer hardware and software equipment as CSI may reasonably require to carry out its obligations to supply any of the Products or Services and to make provision for the maintenance of such equipment.
- 2.4. Specific provisions relating only to Managed Services provided by CSI to the Customer are set out in the Annex.

3. ORDERING

- 3.1. Unless otherwise stated in a Statement of Work, the following ordering process shall apply:
 - 3.1.1. the Customer shall submit an authorised purchase order for Products or Services or Managed Services referencing a Quotation. CSI shall issue an Order Acknowledgement e-mail within five Working Days;
 - 3.1.2. If requested and where available, confirmation of a delivery date for Products shall be issued to Customer with the Order Acknowledgement;
 - 3.1.3. CSI shall be entitled to reject any purchase order if it is inconsistent with the terms of this Agreement or the Quotation, with such notice of rejection issued within five Working Days.

4. DELIVERY

- 4.1. Where a Delivery Date is agreed in the Statement of Works, CSI will use its reasonable endeavours to meet the Delivery Date
- 4.2. If no such date is specified or agreed, CSI shall endeavour to deliver or supply the Products or Services as soon as reasonably possible. CSI shall not be liable for any loss, liability or expense caused by any delay in any such delivery or supply. Subject to a Project Plan, CSI shall be entitled to deliver or supply the Products or Services at one time or by instalments.
- 4.3. In either of the above cases, CSI does not accept any responsibility for shortages or for Products damaged in transit unless notified within five Working Days and reported by separate notice in writing to CSI within ten Working Days of receipt of the Products by Customer.



- 4.4. Delivery shall be confirmed by the Customer by authorised signature on the Delivery Day but in the absence of any Customer signature or other acknowledgement of delivery, without prejudice to Clause 4.7, CSI shall notify the Customer 14 Working Days after the Delivery Date that delivery has been deemed to have taken place on the Delivery Day.
- 4.5. Where delivery is required, CSI shall deliver the Products or Services to the address as informed by Customer in writing, and as confirmed in a Statement of Work, Project Plan or Customer purchase order.
- 4.6. CSI shall invoice Customer for Products and Services on delivery.
- 4.7. The terms of delivery shall be Incoterm DAP. If the delivery address is in a territory which does not use VAT then this Incoterm shall also mean that use tax, or sales tax (GST) or turnover tax are excluded from price.

5. CHARGES AND PAYMENT

- 5.1. Charges payable for any of the Services will, in the absence of any express specific agreement to the contrary set out in a Statement of Work, be calculated on a time and materials basis at the rates set out in the relevant Statement of Work or, where no such rates are set out, at CSI's prevailing standard charging rates.
- 5.2. Unless otherwise stated in a Statement of Work, one off Charges shall be invoiced on delivery.
- 5.3. Annual or periodic Charges shall start to accrue for the Services only from delivery, or where applicable, the Live Date. Where the Services replace a previous service, Charges under the replaced service shall stop accruing at this time.
- 5.4. Unless otherwise stated in a Statement of Work, any annual or periodic Charge will be payable from delivery, or where applicable, the Live Date whether or not use is made of the Products or Services.
- 5.5. Where a given Charge is payable by reference to an annual or periodic Charge and the Statement of Work under which such Charge is payable terminates part way through the period or year to which such Charge relates, Customer shall be obliged to pay that annual or periodic Charge in relation to that part of the relevant period or year that has expired



up to the date of the termination of the Statement of Work and such Charge will be apportioned on a pro rata basis accordingly.

- 5.6. Where no payment terms are set out in a Statement of Work, Charges will be payable within thirty days of the date of the invoice that CSI sends to Customer in respect of those Charges.
- 5.7. All Charges shall be payable without any set-off or deduction or any other form of withholding unless permitted by law.
- 5.8. Disputed invoices must be notified to CSI in writing within seven days of date of invoice.
- 5.9. In the event credit facilities are withdrawn, CSI shall be entitled to request payment for the Products or Services in advance of delivering the Product or Services to the Customer.
- 5.10. Unless otherwise stated in a Statement of Work, all Charges set out or referred to in the Statement of Work are exclusive of VAT and any other imposed taxes or duties for which Customer shall be additionally liable.
- 5.11. Customer will pay interest to CSI in respect of the late payment of any sum due under the Statement of Work both before and after judgment at Barclays Bank annual base rate plus 2% calculated on a daily basis.
- 5.12. If the engagement described in a SOW is cancelled by the Customer with less than 5 full working days' notice of any agreed commencement date, CSI reserves the right to charge for all or part of the engagement costs as set out in the SOW.

6. COMMERCIAL RETURNS

- 6.1. CSI has no obligation to accept a return of Equipment, which Customer wishes to return for any other reason than that dealt with under Clause 10, Clause 17, and Clause 18. Any other type of return would be deemed to be a "Commercial Return". If CSI does agree to accept a Commercial Return then CSI will issue an RMA to Customer, which will detail the conditions under which the return will be accepted. If Customer fails to fulfil the obligations stipulated by the RMA, then CSI reserves the right to refuse the return.



7. PASSING OF TITLE AND RISK

- 7.1. Risk of loss or damage of any Products, Equipment or Documentation supplied by CSI to Customer pursuant to the Agreement will pass to Customer upon the date such items are delivered (delivery as defined in Clause 4) or placed at the disposal of the Customer by the transporter pending confirmation of delivery
- 7.2. Title shall only pass from CSI to Customer once payment and all other monies owed have been received by CSI.

8. CUSTOMER'S OBLIGATIONS

- 8.1. Customer warrants, represents and undertakes that it shall:
 - 8.1.1. perform its obligations under this Agreement in accordance with Good Industry Practice;
 - 8.1.2. perform its obligations under this Agreement in accordance with all applicable laws;
 - 8.1.3. promptly provide any assistance, information, health, safety and access information relating to Customer Site(s) where relevant, facilities, Documentation, access and other matters reasonably requested by CSI;
 - 8.1.4. promptly inform CSI of any matters which are likely to materially adversely affect the provision of the Products or Services or Managed Services to Customer (including any proposed change to Customer's Environment or in a Customer's infrastructure, or delay);
 - 8.1.5. promptly comply with CSI's reasonable instructions and advice relating to the provisioning of the Products or Services or Managed Services and security, integrity or performance of the Products or Services or Managed Services;
 - 8.1.6. meet the Customer obligations as detailed in the Statement of Work and advise CSI promptly of any issue or delay that could impact the Product and Service delivery
 - 8.1.7. to complete Acceptance Tests, and notify CSI of any failures in writing, within 14 days, unless otherwise agreed in the Statement of Work.



- 8.2. Notwithstanding CSI's rights under Clause 11.6, if Customer shall fail to comply with any material obligation in relation to the provision of the Products or Services or Managed Services, then CSI may on written notice forthwith suspend the provision of the Products or Services or Managed Services affected until such failure has been fully remedied and the delivery shall be extended to reflect such delay. If in CSI's reasonable opinion the delay has resulted in an actual increase in cost to CSI of carrying out its obligations under a Statement of Work, unless otherwise provided for in a relevant Statement of Work, CSI may invoice Customer for the difference between CSI's actual cost of carrying out its obligations and the amount charged to Customer for the Products or Services or Managed Services affected. CSI acknowledges it has a positive obligation to mitigate its costs in relation to all delays.
- 8.3. Customer shall ensure that, in relation to a given Statement of Work, it maintains at its own cost the continuous operation of Customer's Environment. Customer acknowledges that whilst CSI may provide advice as to how the requirements for Customer's Environment might be met, CSI shall have no responsibility or liability for the selection, implementation, operation, security, maintenance or suitability of Customer's Environment, unless CSI is specifically contracted to provide such advice by way of a confirmed Statement of Work
- 8.4. If at any time Customer makes any claim whatsoever against CSI or otherwise requests CSI to investigate any problem that has arisen in connection with the provision of the Products or Services or Managed Services, Customer shall if required provide for CSI's Personnel all reasonable support and assistance (and where applicable physical access) to work on and modify as required the Products or Services or Managed Services.
- 8.5. Customer represents, warrants, undertakes and agrees with CSI as follows:
- 8.5.1. Customer is the sole author and creator or the licensee of Customer's Input Material and the sole unencumbered absolute legal and beneficial owner of all Intellectual Property Rights in Customer's Input Material and other rights of whatsoever nature in Customer's Input Material throughout the world and is and shall remain at all material time during the creation of Customer's Input Material a "**qualifying person**" within the meaning of the Copyright, Designs and Patents Act 1988;
- 8.5.2. Customer's Input Material does not and shall not infringe any Intellectual Property Rights or any other rights whatsoever of any person;



- 8.5.3. Customer shall provide a safe system of work and discharge all of its obligations under all applicable health and safety legislation at all Customer Site(s) visited by CSI employees, agents or subcontractors in the course of performance of CSI's obligations under this Agreement such obligations including but not limited to the delivery and installation of Products at Customer Site(s).
- 8.5.4. Customer's Input Material is not under the laws of any legal jurisdiction obscene or blasphemous, offensive to religion, indecent, pornographic, offensive, defamatory or threatening to any person, liable to incite racial hatred or acts of terrorism and does not contain any material which has been obtained in violation of any laws and nothing contained in Customer's Input Material would if published constitute a contempt of Court ("Inappropriate Content");
- 8.5.5. Customer shall indemnify and keep indemnified CSI from and against all actions, proceedings, claims, demands, costs (including legal costs of CSI on a solicitor and own client basis) and other liabilities however arising directly or indirectly as a result of any breach or non-performance by Customer of any Customer's undertakings covenants warranties or obligations under the Agreement.
- 8.5.6. All information and Documentation contained in Customer's Input Material is true, accurate and complete in all respects.

9. CSI'S WARRANTIES

- 9.1. CSI warrants that it shall:
 - 9.1.1. have full power and authority to enter into and perform the terms of the Agreement
 - 9.1.2. have title to and property in any Equipment to be supplied under a given Statement of Work and any such Equipment will be free and unencumbered;
 - 9.1.3. perform the Services and the Managed Services with reasonable care and skill and in accordance with Good Industry Practice;
 - 9.1.4. provide appropriate qualified and trained personnel to perform the Services and the Managed Services;



- 9.1.5. perform the Services and the Managed Services in accordance with all applicable laws (insofar as they related to and concern the Services).
- 9.2. Customer shall give notice to CSI as soon as it is reasonably able upon becoming aware of a breach of warranty.
- 9.3. Unless otherwise stated in a Statement of Work the warranty for all Equipment is limited to the length of the manufacturers' warranty period ("**Equipment Warranty Period**"). The warranty for Software (including embedded software) supplied under this Agreement is limited to 90 days from the date of shipment from CSI ("**Software Warranty Period**").
- 9.4. CSI employees or representatives are not authorised to make any representations concerning the products, services or managed services unless confirmed by CSI in the Statement of Work and the Customer waives any right for breach of warranty for any such representations not so confirmed in writing
- 9.5. Subject to Clause 9.6, if Customer discovers a defect in the Products or Services after it is accepted or deemed to be accepted, it shall notify CSI with full details of such defect within the warranty period as set out in a relevant Statement of Work. If such defect has arisen as a direct result of CSI's breach of the warranty set out in Clauses 9.1.3 to 9.1.5 (inclusive), CSI shall use all reasonable endeavours to correct the defect within a reasonable period of time by the provision of modified, additional or replacement applications developed by CSI (at its option). Any such modified, amended or replacement applications shall then become part of the Products or Services.
- 9.6. Notwithstanding anything to the contrary in the Statement of Work, CSI shall have no liability to remedy a breach of warranty or any of its other obligations under this Agreement or a given Statement of Work where such breach arises as a direct result of the occurrence of any of the events or circumstances described in Clauses 9.7.1 to 9.7.6 (inclusive) or as a direct result of any failure on the part of Customer to observe and perform any of its obligations under that Statement of Work or this Agreement.
- 9.7. Notwithstanding anything to the contrary set out in the Agreement, no claim of whatever nature may be brought under the Agreement against CSI and CSI shall have no liability to Customer to the extent that such claim arises as a consequence of the following acts:
- 9.7.1. the improper use, operation or neglect of Product;



- 9.7.2. the modification of Products or their merger (in either whole or part) with any other application which is not performed or authorised by CSI under the relevant Statement of Work or this Agreement;
 - 9.7.3. the failure within a reasonable period of time to implement recommendations in respect of or solutions to faults previously advised in writing by CSI;
 - 9.7.4. any repair, reconstruction, adjustment, alteration, relocation or modification of Equipment without CSI's prior written consent;
 - 9.7.5. the use of Equipment for a purpose for which they were not designed;
 - 9.7.6. the use of Equipment to access, transfer or process data which was not created or transferred by the Equipment or otherwise anticipated by the Parties in the relevant Statement of Work;
- 9.8. Subject to the foregoing, all conditions, warranties, terms and undertakings, express or implied, statutory or otherwise, in respect of the Products, Services and Managed Services are hereby excluded to the fullest extent permitted by law.

10. THIRD PARTY SOFTWARE

- 10.1. With respect to any third-party Software supplied by CSI under this Agreement, CSI is a licensee of the software licensor and the Customer sublicenses software from CSI under the same terms and conditions for which CSI has contracted with the third-party software manufacturer which are non negotiable "click through" licences. CSI warrants, during the Software Warranty Period, with respect to each item of the Software, as delivered by CSI and properly installed and operated on the hardware products or other equipment for which it is originally licensed:
- 10.1.1. the media on which the Software is furnished will be free of defects in materials and workmanship under normal use; and
 - 10.1.2. the Software will substantially conform to its published specifications. If there is a defect or non-conformity covered by this warranty, the Customer's sole remedy against CSI will be, at CSI's option, to refund the purchase price paid by the Customer for any defective Software, or to replace any defective media with software which substantially conforms to CSI's applicable published specifications.



The Customer assumes responsibility for the selection of the appropriate application programs and associated reference materials. CSI makes no warranty that its Software will work in combination with any hardware or application software products provided by third parties, that the operation of the Software will be uninterrupted or error free, or that all defects in the Software will be corrected. For any third party products listed in the Statement of Work or specifications as being compatible, CSI will make reasonable efforts to provide compatibility, except where the non-compatibility is caused by a "bug" or defect in the third-party's product. CSI is not obligated to remedy any Software defect that cannot be reproduced with the latest software release. The Customer shall be entitled to receive any maintenance releases (such as patches and fixes but not including feature releases) at no charge for the first 90 days from dispatch of the Software under this Software Warranty Period. The Customer may optionally purchase the support Services under which the Customer would be entitled to receive maintenance feature releases for the duration of the Service Term.

11. LIMITATION OF LIABILITY

- 11.1. The following provisions set out the entire liability of CSI (including any liability for the acts and omissions of its employees, agents and sub-contractors) to Customer in respect of:
 - 11.1.1. any breach of its contractual obligations arising under the Agreement; and
 - 11.1.2. any mis-representation, mis-statement or tortious act or omission including negligence arising under or in connection with the Agreement.
- 11.2. Any act or omission on the part of CSI or its employees, agents or sub-contractors falling within Clause 11.1 shall for the purposes of this Clause 12 be known as an "**Event of Default**".
- 11.3. The liability of CSI to Customer for fraud or any fraudulent misrepresentation and for death or injury resulting from its own negligence or that of its employees shall not be limited.
- 11.4. Subject to Clauses 11.3 and Clause 11.5, the total liability of CSI in respect of all Events of Default shall be limited to damages of an amount equal to:



- 11.4.1. £1 million in relation to the provision of Products and Services in respect of damage or loss to the tangible property of Customer; and
 - 11.4.2. £5 million in relation to Managed Services in respect of damage or loss to the tangible property of the Customer; and
 - 11.4.3. the lesser of value of the contract with the Customer with reference to the latest Statement of Work and £500,000 in respect of any other damage or loss in any twelve month period.
- 11.5. Subject to Clause 11.3, neither Party shall be liable to the other for:
- 11.5.1. loss of profits;
 - 11.5.2. loss of turnover;
 - 11.5.3. loss of anticipated savings;
 - 11.5.4. loss of business opportunity;
 - 11.5.5. loss of goodwill;
 - 11.5.6. loss of reputation or damage to brand;
 - 11.5.7. loss of website electronic commerce transactions, traffic, data, software code or data capture;
- provided that this Clause 11.5 shall not prevent claims for loss of or damage to Customer's tangible property that fall within the provisions of Clause 11.4 or any other claim for direct financial loss that are not excluded by Clauses 11.5.1 to 11.5.7 inclusive.
- 11.6. Time shall not be of the essence with respect to any Delivery Date and CSI shall have no liability for any delay to a Delivery Date to the extent that it results from any failure on the part of the Customer to comply with any of its obligations under the relevant Statement of Work
- 11.7. Without prejudice to the generality of any other term of the Agreement and subject to Clause 11.3, CSI shall not be liable for any damage or losses or for any additional damage or losses arising from an Event of Default arising from the failure of Customer to observe



and perform its obligations under the Agreement, nor in respect of an Event of Default in relation to the Products or Services which occurs before the Live Date or which occurred following identification of a defect.

11.8. If a number of Events of Default give rise substantially to the same loss, then they shall be regarded as giving rise to only one claim under the Agreement.

11.9. Subject to Clause 11.3 CSI shall not be liable to Customer for any losses, damages, costs or expenses, which Customer shall suffer or incur by reason of:

11.9.1. any unauthorised access or use of CSI's Background Intellectual Property in breach of the Agreement;

11.9.2. its use of the Products or Services or Managed Services after it became or should have become aware of an Event of Default but before CSI has confirmed that a solution has been completed; or

11.9.3. an Event of Default which occurs before the Live Date or which occurred following identification but prior to resolution of a defect.

12. INTELLECTUAL PROPERTY RIGHTS

12.1. Unless otherwise specified in a Statement of Work, CSI and Customer irrevocably agree that all existing and future Intellectual Property Rights in the Products or Services or Managed Services and CSI's Background Intellectual Property will at all times during the continuance of this Agreement and following termination vest absolutely in CSI or CSI's suppliers.

12.2. Customer grants to CSI a non-exclusive, non-transferable licence to use Customer's Input Material and Customer's Intellectual Property Rights during the continuance of the Agreement for the purpose of:

12.2.1. supplying the Products or Services including any Equipment;

12.2.2. complying with any of its obligations under the Agreement.

12.3. CSI grants to Customer a non-exclusive, non-transferable licence to use the Equipment and CSI's Background Intellectual Property for the use of the Products or Services during the continuance of the Agreement.



- 12.4. Each Party covenants with the other Party that it shall:
- 12.4.1. keep confidential the other Party's Input Material save for those parts of the other Party's Input Material which came into the public domain or the possession of the other Party otherwise than by breach of obligations of confidentiality;
 - 12.4.2. maintain reasonable control over the Party's Input Material and their location and upon request forthwith produce such record to the other Party;
 - 12.4.3. notify the other Party immediately if Customer becomes aware of any unauthorised use of the whole or any part of the other Party's Input Material by any third party; and
 - 12.4.4. without prejudice to the foregoing take all such other reasonable steps as shall from time to time be necessary to protect the confidential information and Intellectual Property Rights of the other Party in the other Party's Input Material at least equal to the steps taken to safeguard their own confidential information.
- 12.5. Each Party shall inform their respective Personnel that the other Party's Input Material constitutes confidential information of the other Party and that all Intellectual Property Rights therein are the property of the other Party and each Party shall take all reasonable steps as shall be necessary to ensure compliance by its personnel with the provisions of Clause 12.4.
- 12.6. Save as expressly set out or contemplated in the Agreement, neither Party shall be entitled to copy in whole or in part the other Party's Input Material and each Party shall ensure where copying is authorised it only copies such Input Material to the extent necessary for the performance of its obligations hereunder.
- 12.7. Each Party (the "**Indemnifying Party**") will indemnify and hold harmless the other Party (the "Indemnified Party") from and against any damages and other liabilities (including reasonable costs) that may be awarded or payable by the Indemnified Party to any third party in respect of any claim or action that the use of the Indemnifying Party's Input Material in accordance with the provisions of the Agreement by the Indemnified Party infringes the Intellectual Property Rights of any third party provided that the Indemnified Party:



- 12.7.1. gives notice to the Indemnifying Party of any such suspected Intellectual Property Rights Infringement forthwith upon becoming aware of the same;
 - 12.7.2. gives the Indemnifying Party the sole conduct of the defence to any claim or action in respect of an Intellectual Property Rights infringement and does not at any time admit liability or otherwise settle or compromise or attempt to settle or compromise the said claim or action except upon the express instructions of the Indemnifying Party; and
 - 12.7.3. acts in accordance with the reasonable instructions of the Indemnifying Party and gives to the Indemnifying Party such assistance as it shall reasonably require in respect of the conduct of the said defence including without prejudice to the generality of the foregoing the filing of all pleadings and other court process and the provision of all relevant documents.
- 12.8. CSI shall indemnify and hold harmless Customer from and against any damages and other liabilities (including reasonable costs) that may be awarded or payable by Customer to any third party in respect of any claim or action that the use of the Products or Services in accordance with the provisions of the Agreement by Customer infringes the Intellectual Property Rights of any third party (save to the extent that it arises from Customer Input Material), provided that Customer:
- 12.8.1. gives notice to CSI of any such suspected Intellectual Property Rights infringement forthwith upon becoming aware of the same;
 - 12.8.2. gives CSI the sole conduct of the defence to any claim or action in respect of an Intellectual Property Rights infringement and does not at any time admit liability or otherwise settle or compromise or attempt to settle or compromise the said claim or action except upon the express instructions of CSI; and
 - 12.8.3. acts in accordance with the reasonable instructions of CSI and gives to the CSI such assistance as it shall reasonably require in respect of the conduct of the said defence including without prejudice to the generality of the foregoing the filing of all pleadings and other court process and the provision of all relevant documents.



- 12.9. Any Party obliged to indemnify the other Party under Clauses 12.7 or 12.8 shall reimburse the other Party its reasonable costs properly incurred in complying with the provisions of Clauses 12.7 or 12.8.
- 12.10. Neither Party shall have any liability to the other Party in respect of an Intellectual Property Rights infringement if it results from any breach of the other Party's obligations under the Agreement.
- 12.11. In the event of there being an Intellectual Property Rights infringement in respect of the use of either Party's Input Material, the Party liable to indemnify the other Party under Clauses 12.7 or 12.8 shall be entitled at its own expense and option either to:
- 12.11.1. procure the right for the other Party to continue using the infringing Party's Input Materials; or
 - 12.11.2. make alterations, modifications or adjustments to the infringing Party's Input Materials so that they become non-infringing; or
 - 12.11.3. replace the infringing Party's Input Material with non-infringing substitutes.
- 12.12. If either Party in its reasonable judgement is not able to exercise any of the options set out in Clause 12.11 within one month of the date it receives notice of an Intellectual Property Rights infringement, then without prejudice to any other rights or remedies it may have under this Agreement or other relevant Statement of Work, it shall then be entitled to terminate the relevant Statement of Work under which such infringement has arisen by giving ten Working Days' notice to the other Party and where there are any related Equipment such Equipment can be returned to CSI and on delivery to CSI and related monies shall be refunded.

13. CONFIDENTIALITY

- 13.1. Each of the Parties undertakes to the other during the term of this Agreement and following termination (howsoever arising) to keep confidential, subject to the provisions of this Clause 13, all information (written or oral) that it shall have obtained or received as a result of the discussions leading up to or the entering into or performance of the Agreement, the content of the Agreement and any information (whether written or oral) disclosed by one Party to the other that is identified by the disclosing Party as confidential at the time of disclosure save that which is:



- 13.1.1. already in its possession other than as a result of a breach of this Clause and is not subject to an obligation of confidentiality;
- 13.1.2. in the public domain other than as a result of a breach of this Clause.
- 13.2. Each of the Parties undertakes to the other to take all such steps as shall from time to time be necessary to ensure compliance with the provisions of Clause 13.1 by its employees, agents and sub-contractors.
- 13.3. Either Party may disclose any confidential information to:
 - 13.3.1. its auditors and professional advisors;
 - 13.3.2. comply with any law, regulation or government request (including the rules of any applicable stock exchange and HM Revenue and Customs or any overseas tax authority); and
 - 13.3.3. their respective Personnel to the extent they require such information to observe and perform the Parties' obligations under the Agreement.

Provided that the Party disclosing the confidential information under this Clause 13.3 uses its reasonable endeavours to procure that the person to whom confidential information is disclosed maintains as confidential the confidential information and does not use the same except for the purposes for which the disclosure is made.

14. FORCE MAJEURE

- 14.1. The Parties shall not be liable for any breach of their obligations under the Agreement which result from an Event of Force Majeure.
- 14.2. Each of the Parties agrees to give notice forthwith to the other upon becoming aware of an Event of Force Majeure such notice to contain details of the circumstances giving rise to the Event of Force Majeure and an estimate of the non-performance and delay.
- 14.3. If an Event of Force Majeure occurs, that Party must:
 - 14.3.1. take all reasonable steps to overcome the effects of the Event of Force Majeure (but this does not require the settlement of claims on unreasonable terms); and



14.3.2. resume compliance as soon as practicable after the event no longer affects either Party.

14.4. If a default due to an Event of Force Majeure shall continue for forty five days in relation to a given Statement of Work, then either Party shall be entitled to terminate that Statement of Work immediately on giving written notice to the other Party. The Parties shall not have any liability in respect of the termination of a Statement of Work as a result of an Event of Force Majeure.

15. RELATIONSHIP MANAGEMENT

15.1. Each Party shall for the duration of the Agreement appoint a Senior Representative(s) to act as the Senior Representative(s) with the other Party and shall provide contact details for such contact (as amended from time to time) to the other Party in writing. Unless otherwise specified, during the term of each Statement of Work quarterly reviews are to be arranged between the Senior Representatives. This will allow for discussion on the provision of new services and Change Notices. It will also provide the opportunity for CSI and/or Customer to highlight any concerns that it may have.

16. DURATION, SUSPENSION AND TERMINATION

16.1. This Agreement shall, subject to Clauses 16.2 to 16.6 (inclusive), commence on the Commencement Date and continue until the expiry of the last of the Services, unless or until terminated by Customer giving to the other not less than thirty days written notice to terminate this Agreement. Either Party may terminate any of the Service after the expiry of its Service Term, upon thirty day's written notice.

16.2. If Customer fails to pay any Charges within twenty-one days of the receipt of a written reminder for payment or fails to observe and perform any of its material obligations under the Agreement, or if CSI is otherwise entitled to terminate any of the Service or the Agreement in accordance with Clauses 16.3 or 16.4, CSI shall have, without prejudice to any of its other rights and remedies, the option, at its sole discretion, by giving written notice to Customer, to immediately restrict or suspend the provision of the Service(s) until such Charges, together with accrued interest payable thereon (at Barclays Bank annual base rate plus 2%) calculated on a daily basis both before as well as after judgement but without prejudice to CSI's rights to receive payment on the due date), have been received in clear funds by CSI, or where suspension has resulted as a result of a material breach on



the part of Customer of its obligations under the Agreement, Customer has remedied such breach to the reasonable satisfaction of CSI.

16.3. Either the Agreement or the Service may be terminated forthwith by notice in writing by either Party:

16.3.1. if the other Party commits any material breach of any term and, in the case of a material breach capable or remedy, fails to remedy the same within thirty days of a written notice from the other Party giving particulars of the breach and requiring it to be remedied;

16.3.2. in the circumstances set out in Clause 14.

16.4. The Agreement may be terminated by either Party if

the other Party shall make a proposal for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal for any other composition, scheme or arrangement with (or assignment for the benefit of) its creditors generally or if the other Party shall be unable to pay its debts as they fall due within the meaning of Section 123 of the Insolvency Act 1986 or if a trustee, liquidator, receiver, administrator, administrative receiver or similar officer is appointed in respect of all or any part of the business or assets of the other Party or if a petition is presented (unless it is vexatious or frivolous) or a meeting is convened for the purpose of considering a resolution or other steps are taken for the winding up of the other Party or for the making of an administration order (otherwise than for the purpose of an amalgamation or reconstruction) or if anything analogous to any such event occurs to the other Party in any legal jurisdiction.

16.5. Any of the Services may also be terminated in the circumstances set out in its Statement of Work.

16.6. Any termination shall be without prejudice to any other rights or remedies a Party may be entitled to hereunder or at law and shall not affect any accrued rights or liabilities of either Party nor the coming into or continuance in force of any provision hereof which is expressly or by implication intended to come into or continue in force on or after such termination and the termination of the Service shall not operate to terminate any other of



the Services, which shall, continue in full force until it terminates in accordance with its terms.

- 16.7. Following the termination of either the Agreement or the Service for any reason, CSI shall at the option of Customer either forthwith destroy insofar as may be possible or return to Customer any material in its possession or control (insofar as where the Service has been terminated, only that which is relevant to the Service and not any other continuing services) and take all steps necessary to ensure that CSI and none of CSI's Personnel can access or use the same.

17. EARLY CANCELLATION

- 17.1. If any delivery or supply of the Products or Services or Managed Services is delayed or refused due to Customer's request or default, CSI reserves the right to charge Customer for reasonable and demonstrable additional costs.
- 17.2. Where applicable and unless otherwise stated in a Statement of Work, prior to the Delivery Date Customer shall be entitled to cancel any delivery of the Products or Services providing that a minimum of thirty days written notice is given subject to payment for any Services already performed or Products purchased or committed to on behalf of the Customer. If notice is less than thirty days Customer shall pay the full invoice price for the Products or Services. However, CSI shall use all reasonable efforts to mitigate the costs and where costs are mitigated, Customer shall pay the full invoice price less the mitigated costs.
- 17.3. No other rights of cancellation are permitted.

18. CHANGE CONTROL

- 18.1. During the term of a Statement of Work, the Parties may agree to make minor modifications, changes or updates (a "**Proposed Change**"). Proposed Changes shall be dealt with in accordance with Clauses 18.2 to 18.4 (inclusive).
- 18.2. CSI or Customer (as appropriate) shall notify the other Party, in writing, through their respective Senior Representatives, of any Proposed Changes. Customer's notification to CSI must specify the priority designated to the Proposed Change by Customer and the urgency of such Proposed Change relative to any other Proposed Changes previously notified to CSI which are then being considered and/or developed by CSI. In connection with all Proposed Changes proposed by Customer, CSI shall provide to Customer an



estimate of the likely costs of preparing an evaluation report in respect of such Proposed Change.

- 18.3. CSI will, as soon as reasonably practicable, provide Customer with an evaluation report and a Quotation for the Proposed Change (whether proposed by CSI or by Customer), likely implementation date and the fees for all work to be undertaken by CSI in connection with the Proposed Change, including project management, implementation and, if relevant, on-going provision. Where CSI reasonably considers a Proposed Change is unsupportable in terms of timescales and functionality then CSI may provide an evaluation report, which details the valid reasons why a Change Notice would not be advisable. Once CSI and Customer have agreed to the scope and impact of the Proposed Change and the Quotation for the Proposed Change, CSI will send Customer a Change Notice.
- 18.4. As soon as the Change Notice has been signed on behalf of both Parties, the Statement of Work will immediately be deemed to have been varied in accordance with the terms of the Change Notice. The Parties may alternatively agree a new Statement of Work if the Parties consider this to be a more appropriate method to document a Proposed Change.

19. CORRUPT GIFTS AND PAYMENTS

- 19.1. Both Parties shall have procedures in place and shall make reasonable endeavours to ensure:
- 19.1.1. Neither Party shall offer or give or agree to give any person employed by or connected with the other Party any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to this Agreement, or for showing or forbearing to show favour or disfavour to any person in relation to this Agreement.
- 19.1.2. Both Parties shall make reasonable endeavours to ensure gifts or considerations of any kind are not issued on that Parties behalf in relation to this Agreement.

20. ESCALATION PROCEDURE AND EXPERT DETERMINATION

- 20.1. All disputes arising out of or in connection with the Agreement shall first be referred to one of the relevant Customer contacts and CSI contacts who shall discuss and attempt to resolve such dispute as soon as reasonably practicable and, in any event, within three Working Days.



- 20.2. Where a dispute to be considered by the relevant Customer contacts or CSI contacts in accordance with Clause 20.1 is not resolved by them within three Working Days then either Party may refer the matter to a Senior Representative (and their equivalent from the other Party) and the Senior Representatives shall consider the dispute as soon as reasonably practicable.
- 20.3. The Senior Representatives may agree that the dispute shall be referred to an Expert who shall act as an expert and not as an arbitrator (and for the avoidance of doubt the provisions of the Arbitration Act 1996 shall be excluded in relation to any such dispute). Failing an acceptable or prompt decision (in the reasonable opinion of both Parties) from the Expert, either Party may notify the other Party of a formal dispute.
- 20.4. The Parties shall each bear their own costs in relation to any dispute under this Clause 20 and the fees and all other costs shall be borne jointly in equal proportion by the Parties unless otherwise directed.
- 20.5. Nothing in this Clause 20 shall prevent or delay either Party from seeking any interim injunctions, interdicts or orders in connection with any matter under the Agreement.

21. NON-SOLICITATION OF EMPLOYEES

- 21.1. During the term of this Agreement and for a period of six months thereafter the Customer shall not on its own behalf or on behalf of any person directly or indirectly entice or endeavour to entice away from CSI or contract with or employ any employee in any capacity who was at any time during the term of this Agreement directly involved in the supply of the Products or Services as a senior employee or an employee in any managerial, technical, advisory, consultative or sales/marketing capacity.
- 21.2. In the event of any breach of this Clause 21 by the Customer, the Customer shall pay to CSI on demand as liquidated damages a sum equal to fifty per cent (50%) of the annual salary and all other benefits payable by the Customer to the person employed or contracted with in breach of this clause.

22. ASSIGNMENT, SUB-LICENSING AND THIRD PARTY RIGHTS

- 22.1. The Customer may not assign, charge or otherwise transfer the benefit of the Agreement nor any of its rights or obligations under the Agreement, nor hold the benefit of the Agreement in trust for any third party without the prior written consent of CSI, which will not be unreasonably withheld or delayed.



- 22.2. CSI shall be entitled to assign, novate, charge or otherwise transfer the benefit of this Agreement to any third party and to delegate any of its obligations under the Agreement to any of its Affiliates. Any such delegation shall not affect the obligations and liability of CSI under the Agreement.
- 22.3. Notwithstanding anything to the contrary contained in the Agreement, the Parties agree and intend that nothing in the Agreement shall confer any rights on any third parties. The Contracts (Rights of Third Parties) Act 1999 does not apply to the Agreement and no third party will have the benefit of or the right to enforce any term of the Agreement.

23. DATA PROTECTION

- 23.1. CSI is registered under the Data Protection Act 1998 ("**DPA**") under registration number Z5737502
- 23.2. Each of the Parties shall in the course of performing its obligations under the Agreement comply with the provisions of the DPA.
- 23.3. In the course of performing its obligations under the Agreement, CSI shall not process any personal data except in accordance with Customer's instructions save to the extent it is required to do so to perform CSI's obligations under the Agreement.
- 23.4. It is the responsibility of Customer as a data controller to proactively give CSI instruction on any specific requirements for handling, storing or administering any personal data which is subject to the DPA. CSI will only indemnify Customer for erroneous actions by CSI against specific direct instruction given by Customer.

24. PUBLICITY

- 24.1. Each Party agrees not to use or refer to this Agreement or to the name, trade mark or trade name of the other Party in any publicity, advertisements or other disclosure (including customer lists), without first obtaining the written approval of the other Party.

25. COMPLIANCE

- 25.1. Each of the Parties represents to the other that it holds all licences, authorisations or permits required by laws for the purposes of carrying out its obligations under the Agreement, and that throughout the term of the Agreement it will continue to hold all such licences, authorisations and permits and the Parties warrant to each other that they



shall not engage in any activities or processes which shall cause the other to be in breach of any laws.

26. GENERAL

- 26.1. The waiver by either Party of a breach or default of any of the provisions of the Agreement by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provisions of the Agreement nor shall any delay or omission on the part of either Party to exercise or avail itself of any right, power or privilege that it has or may have under the Agreement operate as a waiver of any breach or default by the other Party.
- 26.2. Any notice, request, instruction or other document to be given under the Agreement shall be delivered or sent by first class post or by facsimile transmission (such facsimile transmission notice to be confirmed by letter posted within twelve hours) to the address or to the facsimile number of the other Party set out in the relevant Statement of Work or this Agreement (or such other address or number as may have been notified) or by email to the email address of Customer or CSI, as set out in the relevant Statement of Work, and any such notice or other document shall be deemed to have been served (if delivered) at the time of delivery (if sent by post) upon the expiration of forty-eight hours after posting, (if sent by facsimile transmission) upon the expiration of twelve hours after despatch and (if sent by email) upon receipt by the sender of the notice of a recipient delivery notice email.
- 26.3. If any provision of the Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable the invalidity or unenforceability of such provision shall not affect the other provisions of the Agreement and all provisions not affected by such invalidity or enforceability shall remain in full force and effect. The Parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision, which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.
- 26.4. The Agreement constitutes the entire Agreement about the Product and Services between the Parties and each Party warrants that it has not relied on any representations or warranties made by the other Party, other than those in this Agreement.
- 26.5. This Agreement may only be varied by agreement of the Parties made in writing in writing



- 26.6. The Parties agree that nothing in the Agreement shall be deemed to create any partnership, joint venture or relationship of employer and employee between them.
- 26.7. This Agreement and any dispute arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law.
- 26.8. The Parties hereto agree to submit to the non-exclusive jurisdiction of the English Courts.

27. COUNTERPARTS

- 27.1. The Agreement may be executed in any number of counterparts, and by the Parties on separate counterparts, but in that case shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute the original of this Agreement and the first Statement of Work, but all the counterparts shall together constitute one and the same instrument.

28. INTERPRETATION

- 28.1. Any reference in the Agreement to "**writing**" or cognate expressions includes a reference to e-mail or facsimile transmission.
- 28.2. Any reference to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.
- 28.3. The headings are for convenience only and shall not affect its interpretation.
- 28.4. Any reference to the masculine gender includes the feminine and neuter gender and vice versa.
- 28.5. Any reference to a Clause is to one of these Clauses.
- 28.6. References to persons can include companies, associations, partnerships, individuals, trusts and all other legal entities or groups of legal entities.
- 28.7. Where there is a conflict between the provisions of a Statement of Work and this Agreement and/or any other provision of a Statement of Work the Statement of Work shall prevail.



- 28.8. References to **"including"**, **"includes"** and **"in particular"** are illustrative only and none of them shall limit the sense of the words preceding them and each of them shall be deemed to incorporate the expression "without limitation".
- 28.9. Where Customer is more than one person, their liability under this Agreement and all Statements of Work shall be joint and several.
- 28.10. Any reference to the singular includes the plural and vice versa.
- 28.11. In the Agreement the following words and expressions will have the following meanings unless the context otherwise requires:

"Acceptance Tests"	the tests to be carried out by Customer and/or CSI on the Product and Services to ensure that they operate substantially in accordance with Customer's requirements, as set out in the relevant Statement of Work or Project Plan;
"Affiliate"	any subsidiary undertaking of the ultimate parent of the Party;
"Assets"	any Equipment inclusive of but not limited to hardware and software and Intellectual Property Rights used by CSI exclusively for the delivery of the Managed Services to the Customer;
"Background Intellectual Property"	<p>all existing and future Intellectual Property Rights that are either vested in or have been or will be created for or on behalf of CSI at any time that are used or incorporated within a Service including those in CSI's Input Material or derived from CSI's Input Material, save for Intellectual Property Rights:</p> <ul style="list-style-type: none">(i) in Customer's Input Materials;(ii) created and developed by CSI solely from the Customer's Input Materials during the course of and within the scope of the provision a Service that were not in existence prior to the commencement of the provision of that Service;(iii) created and developed by CSI for the sole specific use of the Customer (as specified in the relevant Statement of Work) on an exclusive basis during the course of and within the scope of the provision a Service that were not in existence prior to the commencement of the provision of that Service;
"Change Notice"	the notice to be given in accordance with Clause 19, specifying the Proposed Change, CSI's Charges (if any) for the Proposed Change, what the effect of the proposed change will be so far as Customer is concerned, and any other matters deemed appropriate by CSI and Customer;



CSI Framework Agreement

“Charges”	all fees and charges payable to CSI under a Statement of Work;
“Commencement Date”	the date the last of the Parties signs this Agreement;
“Clauses”	the clauses of this Agreement or any of them;
“CSI’s Confidential Information”	all information (whether written or oral), Documents, CSI’s Input Material and CSI’s Intellectual Property Rights supplied or disclosed to Customer by CSI both during the discussions leading up to this Agreement and during the continuance of this Agreement in accordance with the terms of this Agreement or any other agreement between CSI and Customer;
“CSI’s Contacts”	those persons set out, together with the email contact addresses and telephone contact numbers, in a Statement of Work;
“Customer Data”	any information that is provided by the Customer to CSI as part of the Customer’s use of the Products, Services or Managed services including any information derived from such information.
“Customer’s Environment”	the environment (including but not limited to Customer hardware, firmware and software, operating system, software facilities, other software of whatever sort, processing speed, clock speed, network type speed and capacity, peripherals, peripheral drivers, monitors, disk drives, tape drives, internet access facilities, communications software and printers at the relevant Customer Site(s) to enable CSI to supply the Product, Services and Managed Services to Customer in connection with a Statement of Work or, where not so specified, as advised by CSI;
“Customer Site(s)”	the relevant premises of Customer or the premises of a customer of Customer, at which the Product, Services and Managed Services under a Statement of Work are to be supplied and/or delivered to Customer;
“Delivery Dates”	the dates and stages for the supply of the Products or Services as set out in the relevant Statement of Work, or Project Plan for the provision of the Product, Services and Managed Services and as varied by agreement between the Parties from time to time and documented in a Project Plan or in accordance with the relevant Statement of Work and this Agreement;
“Documentation”	in addition to any document in writing, any map, plans, computer source or object code, graph, drawing or photograph, any film, moving image, negative, tape, disk, CD ROM or other tape or other device embodying any other data.
“Event of Default”	shall have the meaning set out in Clause 12.2;
“Event of Force Majeure”	causes beyond the reasonable control of either of the Parties including but not limited to fires, insurrection or riots, terrorism, embargoes, inability to obtain supplies, requirements or regulations of any civil or military authority;



“Equipment”	the equipment, cabling and systems provided by CSI identified in a Statement of Work which is to be installed at or delivered to a Customer’s premises or the premises of a customer of Customer or as otherwise specified in the relevant Statement of Work. Equipment shall not include any equipment the supply of which is the subject of a separate agreement between CSI and Customer.
“Expert”	such independent expert as is: (a) agreed between the Parties; or (b) : or, in the absence of agreement set out in (a) above within ten Working Days, appointed by the National Computing Centre (or some other British nationally recognised independent centre for expertise in the application of computer technology agreed by the Parties).
“Good Industry Practice”	in an efficient, effective, reliable, professional and safe manner and with the standard of skill, care, knowledge and foresight which would reasonably and ordinarily be expected from an experienced person engaged in providing services which are the same as, or similar to (in the case of CSI), the Product and Services or (in the case of Customer) its obligations, being provided or to be undertaken (as the case may be) under the Agreement;
“Inappropriate Content”	has the meaning set out in Clause 9.5.3;
“Incoterms DAP”	means Delivered at Place as defined in the English language version of the International Chamber of Commerce Incoterms 2010. CSI deems Products are delivered when they are placed at the disposal of Customer on the arriving means of transport ready for unloading at the named place of destination. Risks transfer at this point from CSI to Customer;
“Input Material”	the Documentation, data and any other materials and information provided by one Party to the other for the purpose of performing its obligations under the Agreement;
“Intellectual Property Rights”	any and all copyrights, moral rights, related rights, patents, trade marks, trade names, service marks, design rights, database rights, domain name rights, rights in undisclosed or confidential information (such as known-how, trade secrets and inventions (whether patentable or not)), and other similar intellectual property rights (whether registered or not) as existing now or in the future and applications for any such rights as may exist anywhere in the world;
“Live Date”	the actual date the Product or Services passes or is deemed to have passed all Acceptance Tests (whichever is the earlier);
“Managed Services”	the managed services described in any one or more Statements of Work to be performed by CSI in accordance with the relevant main Terms of this Agreement and on the further Terms of this Agreement that are set out in the Annex;
“Order Acknowledgement”	CSI’s Order Acknowledgement issued to Customer following receipt of Customer’s purchase order;



“Party”	a party to this Agreement (and “Parties” shall be construed accordingly);
“Personnel”	a Party’s officers, employees, contractors, representatives and agents;
“Product”	an item provided by CSI, which may include Equipment or Software, identified in a Statement of Work;
“Project Plan”	a mutually agreed and documented plan for installation of the Products or Services and their acceptance testing model;
“Proposed Change”	has the meaning set out in Clause 19;
“Quotation”	a quotation, estimate or proposal issued by CSI at its discretion to Customer in response to a request by Customer for the supply of the Products, Services or Managed Services to Customer or in respect of any Proposed Change;
“RMA”	Returns Material Authorisation process and documentation, which is required from CSI to authorise return of goods by Customer to CSI . Such processes and documentation will be provided as part of a Statement of Work or on request;
“Senior Representative(s)”	the individuals nominated to act as such by Customer and CSI from time to time;
“Services”	any services (not including Managed Services) supplied by CSI to Customer as detailed in and under the terms of a Statement of Work;
“Service Term”	the term for the Service as specified in a Statement of Work or where applicable in its Order Acknowledgement;
“Set-Up Service”	the due diligence, configuration and related work to be performed by CSI to set up Managed Services;
“Software”	the software or software licenses provided by CSI identified in a Statement of Work which is to be delivered to a Customer’s premises or the premises of a customer of Customer or as otherwise specified in the relevant Statement of Work. Software shall not include any software or software licenses the supply of which is the subject of a separate agreement between CSI and Customer;
“Statement of Work” or “SOW”	means a Statement of Work or Schedule (as it may be described) that CSI and Customer sign to record the specific terms upon which CSI will provide Products, Services or Managed Services to Customer;
“VAT”	value added tax as defined by and payable in accordance with the Value Added Taxes Act 1994;
“Working Day”	any day on which the clearing banks in the City of London are open for business;



“Working Hours”

8.30 am to 5.30 pm on Working Days.



ANNEX

1. MANAGED SERVICES

- 1.1. This Annex sets out Terms that are relevant in addition to Terms contained in the main body of this Agreement only if Managed Services are specified in relevant Statement(s) of Work
- 1.2. In the event of any conflict between any Terms contained in the main body of the Agreement and the Terms contained in the Annex with respect to Managed Services, the Terms of this Annex shall prevail.
- 1.3. The following specific Clauses of the main body of this Agreement apply as the context admits to Managed Services in addition to the Terms set out in this Annex: Clauses 1, 2 and 3, 5 and 9 to 29 inclusive.

2. SERVICE REQUIREMENTS AND DUE DILIGENCE

- 2.1. CSI warrants that:
 - 2.1.1. when it accepts its obligation to perform the Managed Services as set out in the relevant Statement(s) of Work with all specifications of service level appended to such Statement(s) of Work ("**Managed Services Requirements**") by means of Order Acknowledgement(s), it has taken account of and, subject to the provision of Software or other Product items by third parties, it has made all commercially reasonable endeavours to incorporate all elements of the Managed Services Requirements; and
 - 2.1.2. providing that all the Managed Services Requirements have been documented in the relevant Statement(s) of Work (which shall be the responsibility of the Customer) and confirmed by Order Acknowledgement(s), it is able to provide all of the Managed Services Requirements in accordance with the applicable descriptions as further set out and described in the relevant Statement(s) of Work,

and CSI acknowledges that the Customer is entering into the agreement in reliance on the warranties provided by CSI in Clause 10.1.

- 2.2. The Customer hereby acknowledges and confirms that CSI:



- 2.2.1. has been given full opportunity to carry out a thorough due diligence exercise in relation to the Managed Services Requirements and has provided full answers to CSI to all the questions that CSI considers to be relevant for the purpose of establishing whether it is able to provide the Managed Services in accordance with the terms of this Agreement;
- 2.2.2. it has provided all information necessary to enable CSI to determine whether it is able to provide the Managed Services in accordance with the terms of this Agreement.
- 2.3. In addition, throughout the term of this Agreement, CSI shall be responsible for specifying to the Customer all information reasonably required by CSI for the purposes of recommending, advising, establishing, setting-up and providing the Managed Services hereunder and CSI shall do so in sufficient detail to enable the Customer to supply all such information to CSI, so far as it is available to the Customer. CSI shall review all such information supplied by the Customer to CSI promptly on receipt and shall, promptly following receipt, notify the Customer of any further information reasonably required by CSI.

3. SET-UP SERVICES

- 3.1. CSI shall appoint a Senior Representative, who shall have the authority to contractually bind CSI on all matters relating to Managed Services under this Agreement and shall liaise with the Senior Representative of the Customer. CSI shall use commercially reasonable endeavours to ensure continuity of such Senior Representative, but has the right to replace him from time to time where reasonably necessary in the interests of CSI's business.
- 3.2. CSI shall perform the Set-up Service and shall use reasonable endeavours to meet all performance dates set out in the relevant Statement(s) of Work, but any such dates shall be estimates only, and time shall not be of the essence in this Agreement.
- 3.3. When CSI considers that the Managed Services are ready for activation it shall so notify the Customer. Within 5 days of such notification the Customer shall review the operation of the Managed Services to confirm that they function in material conformance with the Managed Services Requirements. If the Managed Services fail in any material respect to conform with the Managed Services Requirements, the Customer shall give CSI a detailed description of any such material non-conformance ("**Error**") in writing, within the five-day review period.



- 3.4. CSI shall use reasonable endeavours to correct any Error within a reasonable time and, on completion, re-submit the Managed Services to the Customer. The provisions of this paragraph 3.4 and Clause 19 shall apply. If CSI is unable to correct the Error after three attempts, either party may terminate this Agreement without further liability to the other.
- 3.5. If the Customer does not provide any written comments in the 5 day period described in paragraph 3.3, or if the Managed Services conform with the Managed Services Requirements, then the Managed Services shall be deemed accepted as from the date of the notification ("**Acceptance Date**").

4. SERVICE PROVISION

- 4.1. The Customer will, as from the Acceptance Date, make available the Assets for CSI's use in the delivery of the Managed Services.
- 4.2. CSI will provide the Managed Services as from the Acceptance Date until expiry or termination of this agreement for any reason.
- 4.3. The Customer shall not store, distribute or transmit any material through the Managed Services that:
 - 4.3.1. is unlawful, harmful, threatening, defamatory, obscene, harassing or racially or ethnically offensive;
 - 4.3.2. facilitates illegal activity;
 - 4.3.3. depicts sexually explicit images; and/or
 - 4.3.4. promotes unlawful violence, discrimination based on race, gender, age, disability, sexual orientation, religion and belief, gender reassignment, or any other illegal activities.
- 4.4. The Customer shall remain responsible for the use of the Managed Services under its control, including any use by third parties (whether fraudulent or invited by the Customer).

5. CUSTOMER DATA

- 5.1. CSI shall follow its archiving and security procedures for Customer Data.



- 5.2. CSI shall promptly notify the Customer in writing of any loss or damage to the Customer Data. In the event of any loss or damage to Customer Data, the Customer's sole and exclusive remedy shall be for CSI to use reasonable commercial endeavours to restore the lost or damaged Customer Data from the latest backup of such Customer Data. CSI shall not be responsible for any loss, destruction, alteration or unauthorised disclosure of Customer Data caused by any third party (except those third parties subcontracted by CSI to perform services related to Customer Data maintenance and back-up).
- 5.3. Each party warrants that it shall comply with the DPA (as defined in the main body of this Agreement) when performing the Managed Services under this Agreement.
- 5.4. The Customer shall be the Data Controller, and the parties hereby acknowledge that CSI will be acting as Data Processor in respect of all data processing activities in relation to Customer Data that CSI carries out under this Agreement.
- 5.5. CSI undertakes to the Customer that:
 - 5.5.1. it shall process the Customer Personal Data only in accordance with the written instructions of the Customer and to the extent, and in such a manner, as is reasonably necessary to supply the Managed Services in accordance with this Agreement or as is required by any applicable law;
 - 5.5.2. in respect of Customer Personal Data of the Customer, which is in the possession or under the control of CSI, it shall implement the technical and organisational measures to protect this Customer Personal Data against unauthorised or unlawful processing and accidental loss, destruction, alteration or disclosure;
 - 5.5.3. it shall not (and shall ensure that its personnel do not) publish, disclose or divulge any Customer Personal Data to any third party, nor allow any third party to process Customer Personal Data on CSI's behalf without the prior written consent of the Customer;
 - 5.5.4. it shall not transfer Customer Personal Data outside the European Economic Area without the prior written consent of the Customer; and



- 5.5.5. it shall use reasonable endeavours to assist the Customer with any subject access request that the Customer receives relating to Customer Personal Data processed by CSI under this Agreement.

6. CSI'S OBLIGATIONS AND FURTHER WARRANTIES

- 6.1. CSI warrants that the Managed Services will be performed with all reasonable skill and care and in accordance with Good Industry Practice and that it will be provided substantially in response to the Managed Service Requirements and on the terms and conditions of this Agreement.
- 6.2. The warranty in clause 6.1 shall not apply to the extent of any non-conformance that is caused by use of the Managed Services contrary to CSI's instructions.
- 6.3. If the Managed Services do not conform the warranty in clause 6.1, CSI will, at its expense, use all reasonable commercial endeavours to correct any such non-conformance promptly, or provide the Customer with an alternative means of accomplishing the desired performance. Such correction or substitution constitutes the Customer's sole and exclusive remedy for any breach of the warranty in clause 6.1.
- 6.4. Notwithstanding the foregoing, CSI does not warrant that the Customer's use of the Managed Services will be uninterrupted or error-free.
- 6.5. This Agreement shall not prevent CSI from entering into similar agreements with third parties, or from independently developing, using, selling or licensing materials, products or services that are similar to those provided under this agreement.

7. SECURITY

- 7.1. Where specified in relevant Statement(s) of Work, CSI shall ensure that appropriate safety and security systems and procedures are maintained and enforced to prevent unauthorised access or damage to any of the Managed Services, CSI's own computer system and related networks or resources and the Customer Data, in accordance with Good Industry Practice.
- 7.2. CSI shall ensure that CSI's systems are designed, maintained and upgraded at all times so as to minimise the risk of attack by viruses inclusive of but not limited to malicious code, Trojans, worms and viruses, lock, authorisation key or similar devices that could impair the operation of the software underlying the Managed Services..



- 7.3. The Customer shall promptly inform CSI if it suspects or uncovers any breach of security, and shall use all commercially reasonable endeavours to promptly remedy such breach.
- 7.4. The Customer shall ensure that appropriate security measures are enforced and maintained to protect Customer's access to the Managed Service. The Customer shall promptly advise CSI if it suspects that Customer own access has been compromised.

8. CUSTOMER'S OBLIGATIONS

- 8.1. The Customer shall provide CSI with:

- 8.1.1.1. all necessary co-operation in relation to this agreement; and

- 8.1.1.2. all necessary access to such information as may be required by CSI,

in order to render the Managed Services, including Customer Data, security access information and software interfaces, to the Customer's other business applications;

- 8.2. The Customer shall provide such personnel assistance as may be reasonably requested by CSI from time to time and CSI shall use reasonable endeavours to ensure continuity of its personnel assigned to this Agreement;
- 8.3. The Customer shall appoint the Customer's Senior Representative, who shall have the authority to contractually bind the Customer on all matters relating to this agreement. The Customer shall use reasonable endeavours to ensure continuity of the Customer's Senior Representative;
- 8.4. The Customer shall comply with all applicable laws and regulations with respect to its activities under this Agreement;
- 8.5. The Customer shall carry out all other Customer responsibilities set out in this Agreement and as reasonably requested by CSI in a timely and efficient manner. In the event of any delays in the Customer's provision of such assistance as agreed by the parties, CSI may adjust any timetable or delivery schedule set out in this Agreement or any Statement(s) of Work as reasonably necessary.



9. TERMINATION

9.1.1. In the event of termination of Managed Services by the Customer in accordance with Clause 16 of the CSI Framework Agreement then upon the effective date of termination of this Agreement:

9.1.1.1. CSI will immediately cease providing the Service(s)

9.1.1.2. any and all payment obligations of Customer under this Agreement for Service(s) provided through the date of termination will immediately become due;

a) this includes payment for any Service(s) expected to be supplied by CSI during the remainder of the Service Term, as specified in the SOW.