

1. DEFINITIONS

The following terms have the following meanings:

"Acceptance" means successful completion of the Acceptance Tests;

"Acceptance Tests" means the test(s) carried out by Telent to demonstrate that the Products and Services conform to the Technical Specification;

"Brexit" means the departure of the UK from the European Union pursuant to Article 50 of the Treaty of Lisbon.

"Completion Date(s)" means the timescales specified in the Contract for performance;

"Confidential Information" means secret or confidential commercial, financial, marketing, technical or other information know-how, trade secrets and other information in any form or medium whether disclosed orally or in writing before or after the date of the Contract, together with any reproductions of such information in any form or medium or any part(s) of this information;

"Consumer" shall mean any natural person who in the contract with the Customer is acting for purposes that are not related to his trade business or profession;

"Construction Act" means the Housing Grants, Construction and Regeneration Act 1996 as amended or replaced from time to time;

"Construction Contract" shall have the meaning given to it in the Construction Act;

"Contract" means these Standard Terms and Conditions (with any agreed written amendments), Telent's Quotation, the Purchase Order and any other documents agreed to form part of the Contract;

"Customer" means the company that places the Purchase Order with Telent;

"Documentation" means the operating manuals, user guides, and all other related information made available to the Customer;

"Equipment" means the hardware supplied by Telent under the Contract;

"Force Majeure" means circumstances beyond the reasonable control of the party who has delayed or failed including but not limited to an Act of God, refusal or revocation of any license or other governmental act, fire, explosion, accident, third party industrial disputes, war, armed conflict or civil commotion;

"Good Industry Practice" means in relation to any undertaking and any circumstances, the exercise of that degree of professionalism, skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or company engaged in the same type of activity under the same or similar circumstances as Telent;

"Group" means any subsidiary of, holding company of or subsidiary of a holding company of Telent or the Customer as applicable;

"Incident" shall mean a technical enquiry raised by the Customer and subsequent activity carried out by Telent;

"IPR" means all intellectual property rights including, without limitation, patents, copyright, registered designs, design rights, trade marks, know-how and all other similarly protected rights;

"Price" means the prices specified in Telent's Quotation and payable by the Customer to Telent;

"Product(s)" means the Equipment, Software and any Documentation to be supplied as described in the Contract;

"Purchase Order" means a written request for products and/or services placed by the Customer on Telent;

"Repair Item" shall mean any Product or part of a Product returned to Telent for repair;

"Replacement Item" shall mean any Product or part of a Product supplied to the Customer to effect a repair or replacement of a Repair Item;

"Site" means the place at which Product(s) are installed and/or commissioned, or where the Services are performed;

"Software" means the software provided by Telent under the Contract;

"Services" means the services that Telent shall provide under the Contract;

"Technical Specification" means the agreed description of the Products and/or Services;

"Telent" means Telent Technology Services Limited;

"Telent's Quotation" means the quotation, offer letter, response to a request for quotation or any other proposal document provided by Telent to the Customer for the provision of the Products and/or Services; and

"Warranty Period" means three (3) months from the date of delivery of the Products or, in the case of Services, the Completion Date.

2. CONTRACT

2.1 Any offer in respect of the supply of Products and/or Services provided by Telent shall remain open for fourteen (14) days unless otherwise stated otherwise in Telent's Quotation.

2.2 Telent shall be deemed to have accepted the Purchase Order upon (i) Telent's written acceptance of the Purchase Order or (ii) upon Telent commencing performance of the Services under the Purchase Order, whichever occurs first.

2.3 Telent's acceptance of the Purchase Order is subject to these Standard Terms and Conditions.

2.4 Notwithstanding any other terms of these Standard Terms and Conditions, it is agreed that the provision or display of Product pricing and other information relating to Product by Telent to Customer does not amount to an offer by Telent to sell such Product at that price or on any other terms. Supply of such Information is only an invitation to treat. A Purchase Order by the Customer for Product or Services shall constitute the offer.

2.5 No terms and conditions contained in any other document shall apply in place of these Standard Terms and Conditions unless expressly agreed in writing between the parties.

2.6 The following order of precedence shall apply to the documents forming the Contract: (i) Telent's Quotation (ii) these Standard Terms and Conditions (iii) the Purchase Order, (iv) any other documents expressly agreed to form part of the Contract.

3. TELENT'S WARRANTIES AND OBLIGATIONS

3.1 Telent shall provide the Products and Services as specified in the Contract.

3.2 Telent reserves the right to substitute all or part of the Products with other products that shall operate in accordance with or in excess of the Technical Specification.

3.3 Provision of the Services by Telent shall not ensure that the Products shall operate without interruption or error.

3.4 Telent warrants that the Services shall be performed in accordance with Good Industry Practice using reasonable care and skill, and that it shall provide personnel with appropriate skills and expertise.

3.5 Subject to clauses 3.5(a), 3.5(b) and 3.6, Telent warrants that it shall at its discretion and at its own cost promptly rectify, repair or replace (at Telent's option) any defects in the Products or Services which become apparent during the Warranty Period and are notified to Telent during the Warranty Period and that are due to defective workmanship or any act, neglect or omission by Telent, its employees, sub-contractors or agents, provided that:

- a) the Customer informs Telent immediately upon becoming aware of the alleged defect and;
 - b) the item(s) have not been previously repaired, replaced or modified by a third party.
- 3.6 Where the Products are manufactured by a third party or where the Products comprise Software that is published or licensed by a third party:
- a) Telent only supplies the Products with the benefit of the manufacturer's or publisher's or licensor's warranty (as the case may be);
 - b) subject to the Customer's compliance with the manufacturer's procedure and Telent's reasonable instructions, Telent shall accept liability for defective Products only to the extent that Telent is entitled to make a claim under the manufacturer's or publisher's, warranty or other defective goods terms and actually obtains from the manufacturer or publisher a refund credit repair or replacement in respect of the defective Products. Processing of these defective Products shall be made according to the manufacturer's procedure and any other instructions provided by Telent. Telent cannot and shall have no obligation to accept a return of and/or grant a credit for Product not compliant with the manufacturer's procedures;
 - c) Telent shall be under no liability in respect of any defect arising from fair wear and tear wilful damage negligence abnormal working conditions failure to follow Telent's or the manufacturer's or publisher's instructions (whether oral or in writing) misuse or alteration or repair of the Products without Telent's approval.
 - d) Telent shall be under no liability under the above warranty if the total price of the Products has not been paid.
 - e) if the Customer is selling Products or Services purchased from Telent to a Consumer the Customer shall ensure the Consumer is given sufficient and appropriate information and descriptions as to the Product's or Services' purpose for which the Products or Services are normally used and any particular purpose the Consumer has required or agreed with the Customer. The Customer shall not remove or replace any labelling, user manuals, components or other material from the Product as supplied by the manufacturer or Telent, and shall not in its advertising, marketing or labelling provide any public statements on the specific characteristics of the Products or Services on behalf of Telent, the manufacturer or their representatives;
 - f) the Customer accepts liability for the Products' conformity with the Customer's Consumer contract ('conformity' as defined by the EU Directive 1999/44/CE of May 25, 1999 and legislation implementing the Directive), and Customer shall not offer any warranties or representations to the Consumer as to the quality, fitness for purpose of the Products without the manufacturers' express consent. The Customer agrees to hold harmless and indemnify Telent and the manufacturers against any loss, costs, and damages caused by the Customer's acts or omissions, and non-compliance with the obligations set forth in clause 3.6(e) and, clause 3.6(f);
 - g) if Customer is held liable to the Consumer caused by a Product's lack of conformity resulting from an act or omission by the manufacturer or Telent, or any other intermediary, the Customer may by law or statute be entitled to pursue remedies against

Telent, the manufacturer or any other person liable in the contractual chain. Provided Customer is legally entitled to pursue such remedies and Telent is held liable by a competent court of law, Telent's liability to Customer shall be limited to an amount corresponding to the Customer's original purchase price of the Product or Service giving rise to the claim by the Consumer.

- 3.7 Save for its obligations in clauses 3.5, 3.6(b) and 3.6(g) Telent shall have no liability whether in contract, tort or otherwise for any non-conformance with any of the warranties set out in clause 3 including for any damage, loss or expense resulting or from any work done or omitted in connection with the Contract.
- 3.8 The warranties contained in this clause 3 are in lieu of any and all other warranties, conditions or guarantees as to description, quality, fitness for any particular purpose, satisfactory or merchantable quality of the Products or Services and any other warranty, condition or guarantee whether express or implied except any statutory implied terms as to title.

4. CUSTOMER'S OBLIGATIONS

- 4.1 The Customer shall in a timely manner to enable Telent to meet the Completion Dates and Telent's programme:
 - a) supply Telent with such information as Telent reasonably requires to perform its obligations under the Contract (such information to be in writing, complete and correct);
 - b) obtain and maintain all consents, approvals, licences and other items required to enable the Customer to install and use the Products or to enable Telent to install and commission the Products, or to perform the Services;
 - c) make available appropriate staff who are familiar with the Customer's equipment;
 - d) provide Telent with access to and use of any spare parts, spare equipment and any required software operating systems;
 - e) supply all information reasonably required to enable Telent to diagnose a reported fault in the Products;
 - f) provide electrical supplies reasonably required by Telent;
 - g) notify Telent immediately that the Equipment requires remedial maintenance or is not operating correctly;
 - h) keep full security copies of software, applications, configuration data, equipment passwords, diagrams and block wiring drawings and computer records in accordance with best computing practices, as well as maintaining comprehensive back-ups of all data and programs;
 - i) provide proof of purchase of a major release to be supported under a Software support Service;
 - j) maintain operating records of the Equipment. Copies of such records shall be readily available to Telent together with such additional information as Telent may reasonably require; and
 - k) provide remote dial in access facilities at the Sites and ensure that such facilities can be used without restriction or fee by Telent to gain access to the maintained Equipment.

- 4.2 The Customer shall ensure that the Products shall be stored, maintained and used properly, ensuring that having regard to the Technical Specification and Telent's reasonable instructions.
- 4.3 If Telent requires access to the Site to provide the Services the Customer shall make available suitable and adequate access to the Site at all reasonable times together with such working facilities as are reasonably required by Telent. The Customer shall also take all necessary precautions to protect the health and safety of Telent employees and sub-contractors while at the Site.
- 4.4 If Telent incurs delays in the performance of the Services due to the delay or failure of the Customer, its employees, sub-contractors, suppliers or agents, or any third party, Telent shall be entitled to an extension of time at least equal to the period of delay and in addition Telent shall be entitled to invoice the Customer for any additional delay or prolongation costs. Telent shall not be liable for any cost or loss arising from such delay.
5. **DELIVERY**
- 5.1 Telent shall deliver the Products to the UK address specified on the Purchase Order. The delivery periods for the Products shall be in accordance with the Completion Date(s). The delivery periods may be extended if the Customer fails in performing its obligations under the Contract. Time shall not be of the essence in respect of the delivery periods specified in the Purchase Order.
- 5.2 If the Customer fails to accept delivery or fails to comply with the agreed delivery period Telent may, at its discretion, deliver the Products to a suitable warehouse. Such delivery, evidenced by a warehouse receipt, shall be deemed to constitute good delivery. Any costs incurred in delivery to the warehouse shall be borne by the Customer and the Completion Date(s) shall be extended by a reasonable period.
- 5.3 If the Services are not delivered in accordance with the Completion Dates and the delay is due to a reason within Telent's control, Telent shall be liable to pay to the Customer liquidated damages for each week of delay of one half of one percent (0.5%) of the portion of the Price for the item which is in delay up to a maximum of five percent (5%) of that portion of the Price. Payment of liquidated damages shall be in full and final satisfaction of Telent's liability for delay. In addition, the Customer agrees that if Telent fails to deliver the Products within a reasonable period then Telent may (at Telent's discretion) refund the Customer the price that the Customer has paid for the Products but Telent will not be liable for any costs or losses that the Customer may incur other than as specified in this clause 5.3.
- 5.4 Telent shall have no liability in respect of delays in or failure by the Customer to perform any of its obligations under this Contract and the Customer shall indemnify Telent for any additional costs or expenses incurred by Telent as a result of such delays or failures. For the avoidance of doubt Telent has no liability for such delays or failures in the performance of the Contract caused by or attributable to the Customer's failure to perform.
6. **RISK AND TITLE**
- 6.1 Risk of damage to or loss of the Products shall pass to the Customer on delivery.
- 6.2 Title to the Equipment shall pass to the Customer upon payment in full.
- 6.3 Risk of damage to or loss of the Repair Item(s) shall remain with the Customer during transit. Risk of damage to or loss of the Replacement Item shall pass to the Customer on delivery.
- 6.4 Title to the Repair Item(s) shall remain with the Customer at all times.
- 6.5 Title to Replacement Item(s) shall pass to the Customer upon receipt by Telent of payment in full.
- 6.6 For the avoidance of doubt title to the Software, together with IPR in the Software, Products and any Documentation shall at all times remain vested in Telent or its licensors.
- 6.7 Telent shall have absolute authority to retake, sell or otherwise deal with or dispose of all or any part of the Equipment in which title remains vested in Telent.
- 6.8 Telent or any of its agents or authorised representatives shall be entitled at any time and without notice to enter upon any premises in which the Equipment or any part thereof is installed, stored or kept, or is reasonably believed so to be.
- 6.9 The Customer shall; store or otherwise denote the Equipment in respect of which title remains with Telent in such way that the Equipment can be recognised as the property of Telent.
7. **ACCEPTANCE TESTING**
- 7.1 To the extent that the Services comprise installation and/or commissioning services, Telent shall perform the Acceptance Tests. Upon successful completion of the Acceptance Tests the Customer shall sign a document to confirm this ("**Acceptance Certificate**").
- 7.2 The Products and Services shall be deemed to have been accepted by the Customer if:
- the Acceptance Tests are successfully completed and the Customer fails to sign the Acceptance Certificate within 14 days of completion of the Acceptance Tests; or
 - Telent is unable to carry out the Acceptance Tests for reasons outside of Telent's reasonable control; or
 - the Customer commences use of the Products.
8. **PRICE OF THE PRODUCTS**
- 8.1 Subject to the provisions of clause 19.3 and clause 8.2:
- Prices for Products in stock with Telent's suppliers and ready to be shipped will be established at the time the Purchase Order is accepted by Telent;
 - if the Customer places an order for Products not in stock at the time of order (a "Backorder") or the Customer places an order for scheduled delivery, such orders shall be irrevocable and the price for such Products shall be the price established at the time the Backorder or scheduled delivery is accepted by Telent.
- 8.2 Notwithstanding any of the foregoing Telent reserves the right to increase its prices after acceptance of a Backorder or scheduled delivery due to an increase in its supplier's price to Telent or an increase in direct costs to which Telent becomes subject (including without limit costs resulting from currency fluctuation) but Telent shall only increase its price by such level as is necessary to reflect such increases.
- 8.3 All prices quoted by Telent exclude the cost of transport from Telent's warehouse to the Customer's receiving point, as well as configuration, fulfilment and other services provided by Telent.

- 8.4 Where applicable and unless otherwise agreed the pricing is based on the relevant exchange rate from the date of quoting. Pricing will be subject to change in line with any movements in foreign exchange rates.
- 8.5 All prices and charges are exclusive of any applicable Value Added Tax, duties, fees, surcharges, penalties or taxes of any nature, which the Customer will be additionally liable to pay to Telent. Unless otherwise stated prices exclude any copyright levies, waste and environmental fees, and similar charges that Telent by law or statute may or shall charge or collect upon resale.
- 8.6 If the Customer is offered standard discounted pricing in respect of all Purchase Orders issued by the Customer and such pricing is made available to the Customer by Telent either (i) in a price book or (ii) other documentation provided by Telent's supplier, such standard discounted pricing shall be updated by Telent or Telent's suppliers without notice to the Customer from time to time and as a minimum on an annual basis. Telent and its suppliers shall not be liable to the Customer under any circumstances for any change to standard discounted pricing offered to the Customer by Telent or Telent's suppliers.
- 8.7 If Customer is offered bespoke special pricing for certain orders and such pricing is made available to Telent from its suppliers ("Special Bids"), the Customer shall adhere to the applicable terms and conditions required by Telent's suppliers in respect of such Special Bids and agrees to indemnify Telent for any claims made against Telent by its suppliers for Customer's non-compliance with the supplier's terms and conditions. Customer agrees to pay any service fees charged for Telent's pass-through of Special Bids and other supplier driven benefits the Customer may receive, including any marketing funding, price protection and individual rebates, and agrees that pass-through and payment of such benefits will be subject to Telent having received the benefits from its supplier. The Special Terms may oblige the Customer to comply with certain requirements including but not limited to (i) the sale of the Products only to specifically named end-users; (ii) the disclosure of end-user information to Telent and its suppliers for the purpose of end-user verification; and (iii) the submission of copies of end-user invoices, end-user purchase orders or end-user shipping documents to Telent and its suppliers. Subject to the Special Terms applicable for the individual suppliers and Products, non-compliance with the Special Terms may entitle Telent and/or its suppliers to reclaim and invoice the Customer in full for all discounts, rebates and other special price conditions granted to the Customer under the special price.
- 9. CHARGES AND PAYMENT**
- 9.1 To the extent that the Services comprise installation and/or commissioning services, Telent shall invoice the Customer for the Services in accordance with Telent's Quotation. Unless stated otherwise in the Quotation Telent shall be entitled to invoice for the installation Services monthly in arrears for the value of the installation and/or commissioning services already carried out.
- 9.2 The Price for the Products shall be invoiced in accordance with Telent's Quotation. If not stated in the Quotation, Telent shall be entitled to invoice the Customer immediately on delivery of the Products. The Price (unless otherwise agreed) is exclusive of the cost of packaging, insuring, transporting or storing the Products, for which Telent may charge an additional amount. Any other Service shall be invoiced, unless otherwise stated in Telent's Quotation, on a monthly basis in arrears for the value of Services already carried out.
- 9.3 Telent shall, unless otherwise stated in Telent's Quotation, invoice the Customer for Software either (i) in respect of Software owned by Telent upon receipt of the Purchase Order or (ii) in respect of Software owned by a third party, upon receipt of an invoice from a third party for the Software.
- 9.4 Payment shall be made in Pounds Sterling by telegraphic transfer to the Telent Technology Services Limited bank account at Lloyds TSB Bank plc, 125 Colmore Row, Birmingham, B3 3SF. Account Number 00498910, sort-code 30-00-03 and SWIFT code LOYDGB21003.
- 9.5 Payment shall be in full, in cleared funds within 30 days of the date of Telent's invoice ("**Final Date for Payment**").
- 9.6 If this Contract is a Construction Contract and the Customer intends to withhold or deduct a sum from any payment due, it must serve a notice of intention to withhold payment to be received by Telent at least 14 days before the Final Date for Payment.
- 9.7 If any invoices are not fully paid on the Final Date for Payment, Telent shall be entitled, in addition to its other rights and remedies, to charge interest at the rate of four per cent (4%) per annum above the Bank of England Base Rate for the **time** being in force from the Final Date for Payment until the date of payment
- 9.8 The Customer agrees to pay all sums due under the Contract in full and without any set-off, counterclaim, deduction or withholding.
- 10. IPR**
- 10.1 IPR in the Products and Services and in all information in respect of the same made available to the Customer under this Contract shall at all times remain vested in Telent or its licensors. It shall not be copied, reproduced or used for any purpose other than as specified in the Contract.
- 10.2 Subject to payment being made in full in accordance with this Contract Telent grants to the Customer a non-exclusive, non-transferable licence to:
- use the Software with the Equipment at the Site;
 - copy and use any other IPR not including the Software for the purposes specified in this Contract.
- 10.3 The Customer shall permit Telent or its licensors to enter any of the Customer's premises on reasonable notice to audit the use of the Software and shall maintain adequate security measures to safeguard the Software.
- 10.4 The Products are subject to the intellectual property rights of Telent's suppliers (for example product manufacturers or software developers). The Customer is not authorised to alter, cover, or remove any reference to such IPR on the Products, and shall adhere to any guidelines and restrictions provided by Telent's suppliers if the Customer is granted a right to use such rights in the marketing and resale of Products.
- 10.5 Notwithstanding the provisions of this clause 10, the Customer shall comply with any end user licence or agreement of a third party software provider.
- 10.6 Except to the extent that such operations cannot be prevented or restricted by law, the Customer is not

permitted to modify, reverse engineer or decompile the Software.

10.7 This clause shall survive termination of this Contract.

11. IPR INDEMNITY

11.1 Upon threat of claim or claim of infringement, Telent may, at its option (i) procure the right to continue using any part of Product, (ii) replace the infringing Product with a non-infringing Product of similar performance, or (iii) refund to the Customer the purchase price paid by the Customer for the infringing Product.

11.2 Subject to clause 11.4, Telent shall indemnify the Customer against all costs, losses, damages and expenses arising out of or in connection with any claim made against it by a third party alleging that its IPR is infringed by the use of the Products or Services provided that:

- a) the Customer promptly notifies Telent in writing of any allegation and makes no admissions or prejudicial statements without Telent's written consent;
- b) the Customer, at Telent's request, allows Telent to conduct or settle all negotiations and litigation and provides all reasonable assistance to Telent (costs incurred or recovered in such negotiations and litigation shall be for Telent's account);
- c) the alleged infringement is not a result of Telent following a design or instruction supplied by the Customer;
- d) the Products or Services have not been used in a manner, for a purpose or in a country not authorised by Telent;
- e) the infringement has not arisen out of the use of the Products or Services in combination or association with any other products not supplied by Telent.

11.3 If at any time any allegation of IPR infringement is made, or in Telent's reasonable opinion is likely to be made, Telent may, at its own expense:

- a) modify or replace the Products or Services or part thereof (without detracting from overall performance of the Products or Services) so as to avoid the infringement; or
- b) procure for the Customer the right to continue using the Products or Services.

11.4 This clause 11 states Telent's entire liability in respect of any actual or alleged infringement of IPR.

11.5 The Customer warrants that any design or instruction provided by the Customer shall not cause Telent to infringe any IPR in the performance of Telent's obligations under this Contract.

11.6 The Customer shall indemnify Telent in the same terms as set out in clause 11.2 (with the necessary changes being made) against any allegation of IPR infringement arising out of anything supplied by the Customer to Telent.

11.7 Any Software purchased by Telent from a third party shall be purchased in good faith and Telent shall have no duty to defend, indemnify or hold Customer harmless from and against any or all claims brought against Customer or damages and costs incurred by Customer arising from the infringement of a third party's IPR in the Software.

12. CONFIDENTIALITY

12.1 The Parties shall keep and procure to be kept secret and confidential all Confidential Information belonging to the other Party disclosed or obtained as a result of the relationship of the Parties under this Contract and shall not use nor disclose the same save for the purposes of the proper performance of the Contract or

with the prior written consent of the other Party. Where disclosure is made to any employee, consultant, sub-contractor or agent, it shall be done subject to obligations equivalent to those set out in the Contract and the receiving party shall procure that any such employee, consultant, sub-contractor or agent complies with such obligations provided that the receiving party shall continue to be responsible to the disclosing party in respect of any disclosure or use of such Confidential Information by a person to whom disclosure is made. Neither party shall be required to keep confidential information which (i) is in or comes into the public domain otherwise than through a breach of this Contract, or (ii) has been lawfully received from a third party without restriction as to its use or disclosure, or (iii) was already in the receiving party's possession free of any restriction prior to receipt, or (iv) was independently developed by the receiving party or (v) is required to be disclosed under any applicable law, or by order of a court or governmental body of authority of competent jurisdiction.

12.2 If, in the disclosing party's reasonable opinion, the receiving party has breached this clause 12, the receiving party shall promptly return the information and Documentation.

12.3 This clause shall survive expiry or termination of this Contract for five years.

13. INSTALLATION AND COMMISSIONING

13.1 This clause 13 applies if the Services include installation and/or commissioning work and/or survey or design work.

13.2 The Prices are based on an uninterrupted programme of work in accordance with the Completion Date(s).

13.3 The Customer shall:

- a) provide lifting facilities, scaffolding, suitable and secure storage and working space, electric power, heating, lighting and ventilation, cabling and suitable office accommodation (including telephones) all as reasonably specified by Telent or as reasonably required to provide the Services;
- b) procure the use of telephone lines at no charge to Telent for essential test purposes;
- c) give Telent unrestricted access to the Products at all reasonable times;
- d) undertake any building works required at the Sites and otherwise prepare the Sites to meet the Completion Date(s);

13.4 Telent and the Customer shall each nominate a representative to be the interface with the other party's personnel.

14. HARDWARE MAINTENANCE SERVICES

14.1 Where stated as included in Telent's Quotation, and subject to any additional assumption, caveats or services described in Telent's Quotation, Telent shall provide the hardware maintenance services set out in this clause 14:

14.2 In the event that any part of the Equipment, which becomes faulty shall at Telent's option either be:

- a) repaired; or
- b) replaced by parts with equivalent functionality on an exchange basis, whereby the replaced part shall become the property of Telent and the replacing part shall become part of the original Equipment, title having passed upon completion of the exchange of parts;
- c) replaced by parts with equivalent functionality on a loan basis, whereby Telent shall continue to own

- the replacing part and shall repair and reinstall the original part as soon as is reasonably possible; or
- d) refunded at the Price of the faulty Equipment depreciated on a five (5) year straight-line basis.
- 14.3 If a service call is made and Telent is unable to gain access to the Equipment or there is no fault to be found with such Equipment, Telent reserves the right to charge for any call-out at Telent's then current time and materials rates.
- 14.4 The Service shall be deemed to have been provided to the Customer's satisfaction where the Customer has not made any complaint concerning such Service within forty eight (48) hours of the initial service call being made.
- 14.5 Where spare parts have been forwarded to the Customer to rectify a problem, the Customer shall ensure that the spare parts or faulty Equipment is returned to Telent within five (5) working days of having received the replacement parts. The cost of return shall be borne by the Customer. Telent retains the right to charge the Customer for the spare parts or an equivalent piece of equipment with similar specification should the spare parts or faulty Equipment not be returned to Telent within five (5) working days.
- 14.6 The Customer shall notify Telent not less than thirty (30) days in advance if any Equipment is to be modified in any way or moved from their installed premises, specifying the date and thereafter to comply with any reasonable instructions from Telent stipulated prior to such relocation. Support of Equipment moved from their original Sites shall be at Telent's discretion (not to be unreasonably withheld) and may be subject to additional charges.
- 14.7 The Customer shall allow Telent to modify, at the Customer's expense, any of the Equipment attached to a public telephone network in the event that the telecommunications authority requires the Equipment to be modified as a condition of its continued approval of the connection. Telent shall not be liable under this Contract for any delay, failure, breakdown, damage, loss or injury caused by any changes to the requirements of the aforementioned authorities. Telent does not warrant the continuation of the consent to the connection of the Equipment to the authority's network.
- 15. SOFTWARE SUPPORT SERVICE**
- 15.1 Where stated in Telent's Quotation, and subject to any additional assumptions, caveats or services described in Telent's Quotation, Telent shall provide the following Software support services during the Warranty Period or such longer period as agreed in writing between the parties:
- a) assistance in such form as Telent considers suitable which may including telephone support in order to isolation and correct errors and discrepancies in or arising from the use of the Software.
 - b) the supply of maintenance releases as and when made available free of charge to Telent by the manufacturer. A maintenance release is an uplift build at the same generic build level to the installed build. It may provide specific fixes to problems raised by the Customer, and shall not contain any new functionality. Where solutions require, architectural changes, increased dimensioning or are simply too complex, then it shall not be practical to resolve in an "old" build level and shall need to be resolved in a later generic build when such a build is purchased by the Customer.
 - c) escalation of faults to the manufacturer for resolution.
- 15.2 Telent shall be responsible for providing maintenance releases in accordance with clause 15.1 above however the responsibility for loading the maintenance release shall rest with the Customer.
- 15.3 The Contract does not cover the provision of pre-requisite hardware upgrades. Telent shall use reasonable endeavours to provide early visibility of any hardware pre-requisites associated with any Software upgrade. Where a hardware upgrade is required as an alternative to Software repairs, patches or fixes, the hardware upgrade shall be at the Customer's expense.
- 15.4 Unless otherwise specifically stated in Telent's Quotation, software support Services shall be available during the hours of coverage. Further, Telent does not warrant that the Software shall operate without interruption or error. Telent shall provide the software support on Software releases currently supported by the Software manufacturer.
- 16. EXCLUDED SERVICES**
- 16.1 Telent shall have no obligation to provide the Services in respect of Incidents arising from:
- a) transportation or relocation of the Products not performed by Telent;
 - b) any third party equipment or software not supplied by Telent for use upon or in association with the Products;
 - c) installation of the Equipment (including electrical work) by someone other than Telent or in a manner contrary to instructions set out in the Documentation relating to the Equipment;
 - d) failure to comply with the conditions of use of the Products as set out in these Standard Terms and Conditions;
 - e) accident, neglect, misuse or abuse of the Equipment other than by Telent;
 - f) the relocation, modification or addition to any of the Equipment without the approval of Telent or a defect caused by equipment not supported by Telent or by any other service not performed by Telent;
 - g) use or connection of the Equipment with software or equipment not suitable for such use of connection or which interferes with the proper functioning thereof;
 - h) Equipment reaching its "End Of Life" as a result of, but not restricted to, the manufacturer having discontinued the product model or type, the manufacturer no longer providing repair services or replacement parts, or the cost of repair exceeding the cost of replacement with a newer model. Telent shall use reasonable endeavours to inform the Customer when Equipment is coming towards the end of its life to give the Customer an opportunity to bring the Equipment up-to-date.
- 16.2 If Telent provides Services and discovers that the reason for the Incident was one of those described above, the Customer shall pay Telent's reasonable costs incurred in the provision of the Services and a reasonable margin. Resolution of such Incidents shall not be taken into account in the calculation of liquidated damages under this Contract.
- 17. CONFIGURATION AND OTHER SERVICES**
- 17.1 If it is agreed that Telent shall provide configuration Services to the Customer, configuration Services shall be at the price agreed at the time the Purchase Order is accepted. The Customer shall be solely responsible for the accuracy of its Purchase Order, the

specification of the components and their configuration and for ensuring that the configured product specified is satisfactory for the purposes for which it is required including without limit that it has sufficient overall functionality, and shall support, be compatible and inter-operable with any hardware, software or middleware with which it is intended to operate.

- 17.2 Configuration Services shall have a warranty period of 14 days from the date of shipment to the Customer. Telent's sole liability (and the Customer's sole remedy against Telent) in respect of any defective configuration Services for which Telent is responsible shall be the repair by Telent or at Telent's option replacement of the configured Product. If any alleged defect shall be attributable to defect in Product the provisions of clause 3 shall apply. Claims in respect of defective Services must be made within 21 days of the date of delivery of the configured Product.

- 17.3 Telent may offer other Services to the Customer including direct fulfilment and billing, installation and support services, storage and consolidation, and other logistics services. Such Services shall be provided under these Standard Terms and Conditions in addition to specific terms agreed upon in writing with Customer.

18. ACCIDENTS OR DAMAGE

- 18.1 Telent shall indemnify the Customer and shall maintain appropriate insurance cover against damage to property and death or injury to persons to the extent caused solely by the negligence of Telent or its employees or sub-contractors, provided that Telent is immediately notified of any claim and the Customer, at Telent's request, allows Telent to conduct or settle all negotiations and litigation and gives Telent all reasonable assistance.

- 18.2 The Customer shall indemnify Telent and shall maintain appropriate insurance cover against death or injury to Telent's personnel or damage to Telent's property (to the same limit as Telent) to the extent caused by negligence of the Customer or its employees or sub-contractors.

19. CHANGES

- 19.1 Telent reserves the right to make any changes to the Contract due to changes in the specification of the Products made by its suppliers or changes that are required to conform to any applicable safety or other statutory requirements. These changes shall be duly notified to the Customer. The Customer cannot cancel or reschedule the Contract provided the changes do not alter the material terms of the Contract. For other types of changes, the possibility of cancellation shall be subject to Telent's discretion and conditions.

- 19.2 Telent is under no obligation to accept the withdrawal of any Purchase Order or the cancellation of a Contract which has been accepted by Telent. If Telent agrees to accept the Customer's withdrawal of any Purchase Order or the cancellation of a Contract such agreement shall only be effected by means of letter or email signed or sent by Telent.

- 19.3 Notwithstanding any acceptance by Telent of any Purchase Order, if there has been a material or obvious pricing error by Telent, Telent shall be entitled within 30 days of its acceptance of such Purchase Order to either invoice the Customer for the correct list price (not exceeding the prevailing market price at wholesale level) of the Product at the date of the Purchase Order or, if the Customer shall prefer, collect the Product at Telent's expense and credit the Customer for any charges already invoiced by Telent for the collected Product.

- 19.4 Purchase Orders for the direct shipment to Customer's customers or special order Products may require the Customer's acceptance of additional terms including prepayment of the Purchase Order and shall be subject to additional fees.

- 19.5 Telent may set minimum Purchase Order levels and shall be entitled to charge additional fees for any Purchase Order below any such levels. Minimum Purchase Order levels are available upon request.

20. LIMITATION OF LIABILITY

- 20.1 Subject to clause 20.3 the total of Telent's liabilities arising under or in connection with the Contract in contract, tort (including negligence or breach of statutory duty) or otherwise, shall not exceed the total of the Price provided that Telent shall have no liability whatsoever in respect of the failure of the Customer to observe Telent's reasonable advice or instructions.

- 20.2 Telent's liability for damage to property shall be limited to £1,000,000 in aggregate under the Contract.

- 20.3 Nothing in this Contract excludes or limits either party's liability for fraud or death or personal injury.

- 20.4 Notwithstanding clauses 20.1 and 20.2, it is agreed that nothing in this Contract or in law shall make Telent liable in any circumstances for any of the following (whether direct or indirect):

- a) consequential, special, or indirect losses; or
- b) loss of use, profits, opportunity, revenues or contracts incurred by the Customer; or
- c) loss of data; or
- d) actual or expected savings; or
- e) loss of or damage to goodwill; and

- 20.5 Notwithstanding any other terms or conditions to the contrary Telent's total liability for infringement of intellectual property rights under these Standard Terms and Conditions shall not exceed the Customer's purchase price for the infringing Products.

- 20.6 Each and every provision of this clause 20 is to be construed as a separate limitation applying and surviving even if for any reason any other provision of this clause 20 is held to be unfair in any circumstances and shall survive termination of this Contract.

- 20.7 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.

21. SUSPENSION AND TERMINATION

- 21.1 If either party commits a material breach of this Contract the non-defaulting party shall give the defaulting party written notice of the alleged breach and 30 days within which to remedy the alleged breach. If the defaulting party does not remedy the alleged breach the non-defaulting party may, upon giving 30 days written notice, (without affecting any other claim or remedy) terminate the Contract.

- 21.2 In the event of any non-payment or late payment by the Customer, Telent reserves the right to suspend the performance of its obligations under the Contract until payment is made.

- 21.3 Telent may terminate, in full or partially, or suspend its obligations under the Contract where it experiences supply shortages as a consequence of the UK leaving the European Union. In such circumstances, the Contract shall be varied so that the Customer's obligation to purchase Products under the Contract shall remain binding to the extent that Telent is able to meet the Order.

- 21.4 If either party enters into any form of insolvency, bankruptcy, administration, administrative receivership, receivership, winding up, creditor's arrangement compromise or composition (excluding a scheme of arrangement as a solvent company for the purposes of amalgamation or reconstruction) or if the party suffers the seizure of any property for non-payment of debt, or any similar action, application for proceedings in any jurisdiction to which it is subject then the other party may immediately terminating this Contract without notice.
- 21.5 Telent may terminate any Purchase Order at any time, upon giving the Customer no less than 60 days written notice.
- 21.6 Termination of this Contract for any reason shall not discharge the Customer from payment of any sums already due or becoming due at the date of termination.
- 21.7 Upon termination of this Contract, the Customer shall immediately return any Telent property that it has no contractual right to retain and Telent or its agents may enter any premises to recover and remove such property.
- 21.8 On termination or suspension of this Contract (without affecting any other claim or remedy it may have), except in the event that termination is due to Telent's material breach, Telent shall be entitled to be paid the Price and any costs paid or payable by Telent in the expectation of completing this Contract.
- 21.9 Any termination of this Contract shall not affect any accrued rights or liabilities of either party arising prior to termination.
- 22. ASSIGNMENT AND SUB-CONTRACTING**
- 22.1 Telent has the right to (i) assign or sub-contract the whole or any part of this Contract and (ii) assign the right to receive payment of any sums due under this Contract to any third party and, in either case, without the prior consent of the Customer.
- 22.2 Subject to clause 22.1, neither party may assign, sub-contract or sub-licence any rights, licences, benefits or obligations under this Contract in whole or in part without the prior written consent of the other party, such consent not to be unreasonably withheld or delayed.
- 23. FORCE MAJEURE**
- 23.1 Telent shall not be liable to the Customer for delay in performing or failure to perform obligations (other than the obligation to make due payments) if the delay or failure results from a Force Majeure Event.
- 23.2 If a Force Majeure Event arises, then Telent shall be granted an extension of time to perform its obligations under the Contract, such extensions of time being equal to the duration of the Force Majeure Event.
- 23.3 If Telent is unable to fulfil its obligations due to Force Majeure it shall:
- notify the other in writing of the reasons for its failure to fulfil its obligations and the effect of such failure; and
 - use all responsible endeavours to avoid or remove the cause and perform its obligations.
- 23.4 In the event that such circumstances continue for four (4) consecutive weeks or longer then, subject to clause 21.5 and 21.6 Telent may terminate this Contract or relevant part of it without further liability to the other.
- 24. DATA PROTECTION**
- 24.1 Within this clause, the following terms have the following meanings:
- "Customer Personal Data"** means personal data received from or on behalf of the Customer in connection with the performance of Telent's obligations under the Contract;
 - "Data Protection Laws"** means:
 - the Data Protection Act 2018 and any laws or regulations implementing Directive 95/46/EC (Data Protection Directive);
 - the retained General Data Protection Regulation (EU) 2016/679 as it forms part of the laws of England and Wales pursuant to section 3 of the European (Withdrawal) Act 2018, and/or any corresponding or equivalent national laws or regulations;
 - the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003 No. 2426) as amended; and/or
 - any applicable laws replacing, amending, extending, re-enacting or consolidating any of the above Data Protection Laws from time to time;
 - "Data Protection Supervisory Authority"** means the regulator, authority, or body responsible for administering Data Protection Laws in the UK;
 - "Lawful Safeguards"** means such legally enforceable mechanism(s) for Transfers of personal data as may be permitted under the Data Protection Laws and approved by the Data Protection Supervisory Authority (Information Commissioners Office) from time to time.
 - The terms data controller, data processor, processing, data subject, data subject access request, personal data and transfers all have the meanings given in Data Protection Laws.
- 24.2 As a provider of technology and network services to businesses, Telent does not ordinarily process Customer Personal Data when providing Services. However on occasion Telent may need to do so, for example:
- contact details for Customer staff for operational or billing purposes;
 - configuration of networking equipment based on Customer staff contact details; and/or
 - permissions granted by the Customer on their network may result in visibility of Customer Personal Data.
- 24.3 The Parties agree that, in respect of the Customer Personal Data, the Customer shall be the data controller and Telent shall be the data processor. Both parties agree to comply with their respective obligations under Data Protection Laws.
- 24.4 The Customer warrants that:
- the Customer Personal Data has been sourced in accordance with Data Protection Laws, including provision of all of the required fair processing information to, and obtaining all necessary consents from, data subjects;
 - all instructions given by it to Telent in respect of Customer Personal Data shall at all times be in accordance with Data Protection Laws;

- c) it is satisfied that Telent's processing operations are suitable for the purposes for which the Customer proposes to use the Services and engage Telent to process the Customer Personal Data; and
 - d) It has obtained all necessary rights, permissions and consents prior to disclosing any Personal Data.
- 24.5 Insofar as Telent processes Customer Personal Data on behalf of the Customer, Telent shall:
- a) process the Customer Personal Data in accordance with the Customer's instructions;
 - b) implement and maintain, at its cost and expense, the technical and organisational measures agreed with the Customer to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of personal data;
 - c) subject to clause 24.6, not engage a third party to carry out processing activities in respect of the Customer Personal Data without the Customer's written authorisation (such authorisation not to be unreasonably withheld or delayed);
 - d) refer any data subject access requests that it receives in respect of Customer Personal Data to the Customer promptly;
 - e) provide such reasonable assistance as the Customer reasonably requires to the Customer in ensuring compliance with the Customer's obligations under Data Protection Laws, provided the Customer shall pay Telent's charges for time and cost incurred;
 - f) notify the Customer without undue delay in the event of a security breach in respect of the Customer Personal Data;
 - g) at the Customer's written request, delete or return all the Customer Personal Data to the Customer in such form as the Customer reasonably requests within a reasonable time upon expiry of the Contract or termination of the Services; and
 - h) not transfer any personal data outside of the European Economic Area unless the prior written consent of the Customer has been obtained and appropriate safeguards are in place in relation to the transfer (including ensuring the data subject has enforceable rights and effective legal remedies).
- 24.6 Telent currently uses an IT outsourcing provider. Unless otherwise agreed in writing, the Customer Personal Data may be accessible by this provider from outside of the European Economic Area. This personal data transfer is in accordance with the Lawful Safeguards for Transfers of Protected Data.
- 25. ETHICAL CONDUCT**
- 25.1 The Customer shall:
- a) comply with all applicable laws, statutes, regulations relating to tax evasion including but not limited to Part 3 of the Criminal Finances Act 2017;
 - b) not engage in any activity, practice or conduct which would constitute an offence under Part 3 of the Criminal Finances Act 2017 in respect of tax evasion in the UK or abroad;
 - c) comply with Telent's procedures and policies in respect of tax evasion as Telent may notify to the Customer from time to time;
 - d) have and shall maintain in place throughout the duration of the Contract its own policies and procedures in respect of tax evasion including adequate procedures under the Criminal Finances Act 2017, and will enforce them where appropriate;
 - e) promptly report to Telent any indication or suspicion that the Customer may have been involved in facilitating tax evasion; and
 - f) upon request, certify to Telent compliance with this clause 25 by the Customer and all persons associated with it, and provide such supporting evidence of compliance as Telent may reasonably request.
- 25.2 The Customer shall not, and the Customer shall procure that its directors, employees, agents, representatives, contractors and sub-contractors shall not, engage in any activity, practice or conduct which would constitute an offence under any anti-bribery or anti-corruption laws, regulations and codes, including the Bribery Act 2010.
- 25.3 The Customer agrees that it has put in place adequate procedures designed to prevent any person working for or engaged by it or any other person in any way connected to this Contract, from engaging in any activity, practice or conduct which would infringe any anti-bribery and anti-corruption laws, regulations and codes, including the Bribery Act 2010.
- 25.4 The Customer agrees to comply with the requirements of the Modern Slavery Act 2015.
- 25.5 The Customer shall ensure that any person associated with the Customer who is performing in connection with this Contract does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Customer in this clause 25.
- 25.6 In the event of breach of the Customer's obligation under this clause 25, Telent may, without prejudice to any other rights it may have terminate the Contract forthwith.
- 26. EXPORT CONTROL**
- Without the written approval of Telent, the Customer is not permitted to export or use the Products, or sell or hire them to a person who to his knowledge intends to export or use them, outside the location notified to Telent on the Purchase Order.
- The Parties shall comply with all applicable UK laws, rules, and regulations governing export of goods and information and shall not export or re-export, directly or indirectly, separately or as a part of a system, the Products to any country for which an export licence or other approval is required, without first obtaining such licence or other approval.
- 27. DISPUTES**
- 27.1 Should a dispute arise for any reason connected with the Contract, the matter shall be referred to a supervising manager of Telent and a supervising manager of the Customer each of whom shall have sufficient authority to resolve the dispute. They shall, within 14 days of written notice from either Party to the other, meet in good faith and shall use all reasonable endeavours to resolve the dispute.
- 27.2 If the Parties fail to reach agreement within 28 days of the meeting held under clause 27.1 then the matter shall be referred to a senior manager of Telent and a senior manager of the Customer each of whom shall have sufficient authority to resolve a dispute. They shall, within 14 days of written notice from either Party

to the other, meet in good faith and shall use all reasonable endeavours to resolve the dispute.

27.3 If the Parties fail to reach agreement within 28 days of the meeting held under clause 27.2 then, subject to clause 27.4, either Party shall be free to refer any dispute or difference between them to the English courts and in accordance with the laws of England and Wales for final determination.

27.4 If this Contract constitutes a Construction Contract and any dispute or difference arises under the Contract, either party may refer it to adjudication in accordance with the provisions of The Scheme for Construction Contracts (England and Wales) Regulations which are hereby incorporated into this Contract.

28. NOTICES

Any notices given by either party to the other must be in writing and may be delivered personally or by special delivery post. Notices must be delivered or sent to the parties to the addresses set out in Telent's Quotation.

29. ENVIRONMENTAL AND RECYCLING

29.1 The Customer is responsible for dealing with all items of waste electrical and electronic equipment that Telent supply to the Customer in accordance with the Waste Electrical and Electronic Equipment Regulations 2013, in particular as regards its treatment, recycling and environmentally sound disposal.

29.2 Unless Telent has informed the Customer otherwise, the Customer shall be responsible for dealing with all packaging that Telent provide to the Customer in an environmentally sound manner.

30. MISCELLANEOUS

30.1 The Contract shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts, save that Telent reserves the right to take action in any jurisdiction in order to assert or defend its IPR and those of its licensors.

30.2 Any variation to this Contract shall only be effective if agreed in writing by the parties.

30.3 No failure or delay by either party in enforcing its rights shall prejudice or restrict that party's rights, and no waiver of any such rights or any breach of any contractual terms by the other party shall constitute a waiver of any right or later breach.

30.4 All clauses in this Contract which are either expressed to survive or which are by implication intended to survive termination or expiry of this Contract shall survive.

30.5 The parties do not intend that any terms of the Contract shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

30.6 If any provision of the Contract is found to be unenforceable or invalid, the other provisions of this Contract not affected shall remain in full force and effect. The parties shall negotiate in good faith a replacement provision so as to give commercial effect to the intention of the Contract.

30.7 The Contract constitutes the entire agreement between the parties with respect to its subject matter. All prior agreements, arrangements, whether or not, agreed or offered and all assurances, conditions and warranties whether express or implied, statutory or otherwise and all representations, statements,

negotiations, understandings, either written or oral, unless made fraudulently, are superseded and extinguished by this Contract and the parties acknowledge that no reliance is placed on any representation, warranty, statement or understanding made but not embodied in this Contract.

30.8 The Parties agree that the Contract shall not create any agency or partnership between Telent and the Customer.

30.9 Without prejudice to clause 21.3, Telent shall be entitled, by giving notice to the Customer, to increase the Price of the Products and/or Services to reflect any one or more of the following:

- a) any increase in the cost of such Products and/or Services; or
 - b) any increase in the amount of taxes, tariffs, duties, fees, or surcharges payable; or
 - c) any change or delay in delivery date, quantity or specification;
- arising as a consequence of Brexit.

30.10 In the event of Brexit Telent shall be entitled (at its discretion) to delay the Completion Date(s) for such period as Telent consider reasonable.