



MANAGED SERVICES AGREEMENT

between

QUORUM NETWORK RESOURCES LIMITED

and

[CUSTOMER NAME]

Commencement Date

BACKGROUND	4
1 INTERPRETATION	4
2 THE SCOPE OF THE SERVICES	8
3 EXCLUDED SERVICES	10
4 DEPENDENT SERVICES	10
5 QUORUM OBLIGATIONS	12
6 QUORUM'S PERSONNEL - TRANSFER OF UNDERTAKINGS	14
7 CUSTOMER'S EXISTING IT STAFF - TRANSFER OF UNDERTAKINGS	14
8 FURTHER TERMS RELATING TO THE SERVICES	16
9 CHARGES	17
10 SERVICE LEVELS and REPORTING METHODOLOGY	18
11 INTELLECTUAL PROPERTY RIGHTS	18
12 THE CUSTOMER'S RESPONSIBILITIES	20
13 NON-SOLICITATION	21
14 RISK AND TITLE	22
15 QUORUM'S WARRANTIES	22
16 LIMITS OF LIABILITY	23
17 CONFIDENTIALITY AND PUBLICITY	25
18 DATA PROTECTION	26
19 ASSIGNATION AND SUBCONTRACTING	27
20 TERM	27
21 TERMINATION	27
22 EFFECT OF TERMINATION OR EXPIRY	29
23 NO WAIVER	31
24 REMEDIES	31
25 ENTIRE AGREEMENT	32
26 VARIATION	32
27 SEVERANCE	32
28 NO PARTNERSHIP OR AGENCY	33
29 FORCE MAJEURE	33
30 NOTICES	33
31 DISPUTE RESOLUTION	34

32	MISCELLANEOUS	35
33	INSURANCE	35
34	GOVERNING LAW AND JURISDICTION	36
	MS SCHEDULE	38
	Part 1 - Service	38
	Part 2 - Service Level Agreement	40
	Part 3 - Fee Table	41
	Part 4 - Current Rate Card.....	42
	Part 5 - Sites and Users and Customer Representative	43
	Part 6 - Hardware, Software and Third Party Support Details	44
	Part 7 - Description of Data Processing	45
	Part 8 - Template Variation Agreement.....	46
	Part 9 - Quorum BCP.....	50
	Part 10 - Technical and Organisational Measures	51

MANAGED SERVICES AGREEMENT

between

QUORUM NETWORK RESOURCES LIMITED incorporated and registered in Scotland with company number whose registered office is at 18 Greenside Lane, Edinburgh, EH1 3AH (“**Quorum**”); and

[INSERT CLIENT NAME] incorporated and registered in [INSERT COUNTRY OF INCORPORATION] with company number [INSERT COMPANY NUMBER] whose registered office is [INSERT REGISTERED OFFICE ADDRESS INCLUDING POST CODE], and principle place of business is [INSERT ADDRESS INCLUDING POST CODE] (“**Customer**”).

BACKGROUND

(1) [OUTCOMES AND OBJECTIVES]

(2) The Customer wishes to [...]

(3) Quorum agrees [...]

AGREED TERMS AS FOLLOWS:

1 INTERPRETATION

1.1 This Agreement is the “Managed Services Agreement”.

1.2 Certain words in this Managed Services Agreement are capitalised and have the meaning set out in the Quorum Terms and Conditions annexed or referred to in the Framework Agreement previously entered into between Quorum and the Customer. The rules of interpretation in the Quorum Terms and Conditions apply and in addition the following additional definitions in this clause shall apply in this Managed Services Agreement. Where a term is defined both in the Quorum Terms and Condition and this Managed Services Agreement, the Managed Services Agreement definition shall take precedence:

Anniversary Date	means each anniversary of the Commencement Date;
Applicable Law	means the laws of Scotland, England and Wales and the

	European Union and any other laws or regulations and any legally binding regulatory policies, guidelines or industry codes which apply or relate to the provision of the Services;
Best-Industry Practice	means the standards which would be reasonably expected of a skilled professional in the relevant industry for the provision of comparable services which are substantially similar to the Services or the relevant part of them, having regard to factors such as the nature and size of the parties, the service levels, the term, the pricing structure and any other relevant factors;
Business Day	See Quorum Terms and Conditions;
Consents	means all permissions, consents, approvals, certificates, permits, licences, agreements and authorities (whether statutory, regulatory, contractual or otherwise) necessary for the provision of the Services;
Commencement Date	the date listed as the “Commencement Date” on the front page of the Agreement;
Contract Year	means any 12-month period ending on the day immediately prior to any Anniversary Date;
Customer’s BCP	means the Business Continuity Plan of the Customer as provided to Quorum (as amended from time to time);
Customer's Operating Environment	means the Customer's computing environment (including but not limited to the Hardware, software and telecommunications networks and equipment described in [Part 6] of the MS Schedule) that is to be used by the Customer in connection with its receipt of the Services;
Customer Representative	the representative of the Customer as defined in clause 12.5;
Deliverables	means the outputs of the Services to be provided by Quorum to the Customer as specified in the [Part 1] of the MS Schedule and any other documents (including the Documentation), products and materials provided by Quorum to the Customer in

	relation to the Services;
Dependent Services	means any services supplied to the Customer by any party other than Quorum (including the third-party services resold to the Customer and supplied under a Quorum Resale Contract) upon which Quorum depends in order to be able provide the Services;
Description of Processing	means the description of processing as set out in Part [7] of the MS Schedule;
Documentation	means the documents provided by Quorum, if required for any of the Services, in either printed text or machine-readable form, including the technical documentation, program specification and operations manual;
Excluded Services	means the services relative to the technologies referred to in clause 3.1 and detailed as excluded in Part [1] for the MS Schedule;
Initial Term	means the Initial Term as defined in clause 20 of this Managed Services Agreement;
Intellectual Property Rights	patents, utility models, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, business names and the right to use domain names, rights in get-up, goodwill and the right to sue for passing off and unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which

	subsist or will subsist now or in the future in any part of the world;
Monthly Service Fee	means the monthly service fee defined detailed in Part [3] of the MS Schedule;
MS Schedule	means the schedule in [9] parts annexed to and forming part of this Managed Services Agreement;
Out of Hours	means any time outside Quorum's Business Hours;
Relevant Transfer	means a relevant transfer for the purposes of the TUPE Regulations or the European Acquired Rights Directive 77/187, as amended;
Replacement Supplier	means any person, firm, company or other entity which may either during, on or after the termination or expiry of this Managed Services Agreement be engaged by the Customer to provide the Services or any part thereof or services which formerly comprised the Services or any part thereof;
Service Levels	means the service levels detailed in Part [2] of the MS Schedule and such other service levels as may be agreed by the parties from time to time;
Services	services supplied or to be supplied by Quorum in accordance with this Managed Services Agreement described in the MS Schedule;
Sites	means the sites from which the Customer carries on its business from time to time, such sites, as at the Commencement Date,

	being set out in Part [5] of the MS Schedule;
Quorum's BCP	means Quorum's Business Continuity and Disaster Recovery Plan (as amended from time to time) set out in Part [9] of the MS Schedule;
Quorum's Business Hours	See Quorum Terms and Conditions;
Quorum Resale Contract	A contract between Quorum and a third-party supplier under which Quorum resells or provides goods or services to the Customer where such contract is identified in [Part 6] of the MS Schedule;
Quorum's Personnel	means all individuals who are (1) employees, staff, other workers, agents, consultants of Quorum, (2) other individuals (whether directly engaged or operating through limited companies; or whose services are otherwise supplied directly or indirectly by agencies) engaged directly or indirectly by Quorum in the provision of the Services from time to time;
Template Variation Agreement	The form of variation agreement set out in Part [8] of the Schedule;
TUPE Regulations	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended.

2 THE SCOPE OF THE SERVICES

2.1 The MS Schedule defines the Services that will be provided under this Managed Services Agreement.

2.2 The Customer shall appoint Quorum and Quorum shall supply the Services to the Customer pursuant to the terms and conditions of this Managed Services Agreement and Quorum will administer and execute relevant resources, functions and services in order to ensure the proper transition and adoption, and subsequent continuation of the

provision of the Services to the Customer as contemplated by and in accordance with the terms of this Managed Services Agreement.

- 2.3 Quorum shall provide the Services to the Customer from the Commencement Date.
- 2.4 The only Services being delivered under this Managed Services Agreement are those listed in [Part 1] of the MS Schedule.
- 2.5 Additional or separate consultancy services to those provided under this Managed Services Agreement may be provided by Quorum to the Customer under the Framework Agreement and the terms of provision of those other services will be defined by a Statement of Work, a Software Ownership and Use Agreement or such other terms as may have been agreed between Quorum or the Customer.
- 2.6 In the case of conflict or ambiguity between any provision contained in the body of this Managed Services Agreement in relation to Services provided or to be provided under Managed Services Agreement, the provisions of each documents shall take precedence over each other as follows:
 - 2.6.1 Framework Agreement;
 - 2.6.2 Managed Services Agreement (as varied by agreement from time to time);
 - 2.6.3 Statement of Work (where relevant); and
 - 2.6.4 Quorum Terms & Conditions;
- 2.7 This Managed Services Agreement does not transfer ownership of any of the third party agreements and licences which the Customer currently has in place.
- 2.8 Quorum may, with the prior written consent of the Customer, make changes to the Services, provided such changes do not have a material adverse effect on the Customer's business operations. It is agreed that an immaterial and purely operational, technical or administrative change by Quorum to the technological method by which the Services are delivered and which improves the delivery of the Services shall not be regarded as a

change provided that there is no adverse impact on the Services received by the Customer. Any other changes to the Services shall be agreed and documented separately by written agreement signed by the parties.

3 EXCLUDED SERVICES

- 3.1 Technologies or services which are specifically excluded from scope as at Commencement Date are listed as Excluded Services in Part [1] of the MS Schedule.
- 3.2 Any Excluded Services are expressly outside the scope of this Managed Services Agreement and will continue to be the responsibility of the Customer.
- 3.3 If any Excluded Services are in fact provided by Quorum to the Customer they will be deemed to have been supplied under and in accordance with the terms of this Managed Services Agreement and where appropriate the Customer and Quorum shall endeavour to agree appropriate amendments to the MS Schedule to include the scope and description and pricing for such additional Services;
- 3.4 Notwithstanding that the Customer is responsible for the Excluded Services, at the request of the Customer, Quorum will offer advice and such assistance as may be reasonably required, and guidance as to the most suitable options for the Excluded Services either in the event of issues arising as part of the existing delivery of the Excluded Services or as part of considering and/or devising a replacement or alternative service provider or means of service delivery.
- 3.5 This clause 3 does not limit or restrict the liability of the Customer for its and its personnel's acts and omissions (including negligence) or Quorum for its or Quorum's Personnel's acts and omissions (including negligence).

4 DEPENDENT SERVICES

- 4.1 Where Services or a part of the Services to be delivered are reliant upon a Dependent Service, the parties will agree how that Dependent Service is to be procured or managed.
- 4.2 Quorum will (if this is specifically agreed in the MS Schedule or separately in writing between the Customer and Quorum) assume the administration and management of

specified Dependent Service Contracts on behalf of the Customer, including liaising and interacting with the third-party suppliers under such Dependent Service Contracts.

- 4.3 Quorum may, with the prior written consent of the Customer (in the MS Schedule or separately), negotiate or renegotiate the terms of a Dependent Service Contract, including its renewal at its renewal date. Quorum will keep the Customer apprised of the outcome of such negotiations or renegotiations prior to the finalisation of any Dependent Service Contract. Any such renewal, variation or amendment to an existing or previously approved Dependent Service Contract requires to be signed (or otherwise specifically approved in accordance with the terms of the Dependent Service contract) by an authorised representative of the Customer.
- 4.4 Contractual obligations and responsibilities under any Dependent Service Contracts will remain with the Customer (and Quorum's obligations and responsibilities to the Customer shall be restricted to the proper administration and management of the Dependent Service Contract for the Customer).
- 4.5 Quorum will (if this is specifically agreed in the MS Schedule) procure specified Dependent Services itself from a third party supplier under a Quorum Resale Contract and will supply the benefit of those services to the Customer on such terms are set out in the MS Schedule or separately as may be agreed in writing between Quorum and the Customer.
- 4.6 Contractual obligations and responsibilities under any Quorum Resale Contracts will (subject to clause 4.8) be with Quorum and Quorum will make appropriate provision in the MS Schedule for the costs of such Quorum Resale Contract to be met by the Customer.
- 4.7 Certain facilities or services supplied to the Customer by Quorum under a Quorum Resale Contract may have been acquired by Quorum for the Customer for a fixed period or in fixed quantities. If the Managed Service Agreement is terminated by the Customer (other than by reason of a breach of contract by Quorum) on a date that does not coincide with an appropriate termination date of that Quorum Resale Contract, Quorum may make a termination charge which will be payable by the Customer to compensate Quorum for the cost of the unexpired Quorum Resale Contract.

- 4.8 Where any Services and any agreed Service Levels being delivered or to be delivered by Quorum are reliant upon a Dependent Service (including those Dependent Services supplied under a Quorum Resale Contract), the provision of Services and compliance with Service Levels by Quorum will be contingent upon the performance of the relevant third party supplier and the terms of the relevant Dependent Service Contract. Quorum shall not be in breach of any obligations to the Customer to provide the Services or comply with Service Levels if and to the extent that any delay or failure to perform the Services or comply with the Service Levels is out with the reasonable control of Quorum and is caused by a delay or failure of the relevant third party supplier.
- 4.9 Other than providing any management of Customer Dependent Service Contracts (if and to the extent that this has been agreed in the MS Schedule as forming part of the Services), Quorum is not in a position to be responsible for aspects of the Customer's Operating Environment that are identified in Part 6 of the MS Schedule as not being the responsibility of Quorum .

5 QUORUM OBLIGATIONS

- 5.1 The Services being provided by Quorum under this Managed Services Agreement shall include those listed in the MS Schedule.
- 5.2 In providing each of the Services, Quorum shall at all times:
- 5.2.1 provide the Services with due skill, care and attention in accordance with Best Industry Practice and Applicable Laws;
 - 5.2.2 obtain, maintain and comply with all Consents;
 - 5.2.3 allocate sufficient resources with the appropriate level of skills and experience to provide the Services in accordance with the terms of this Managed Services Agreement;
 - 5.2.4 ensure that any of the Quorum's Personnel who are engaged in the provision of any of the Services shall, if required by the Customer, attend such meetings at the premises of the Customer or elsewhere as may be reasonably required by the Customer; and

- 5.2.5 provide such reasonable co-operation and information in relation to the Services to such of the Customer's other suppliers as the Customer may reasonably require for the purposes of enabling any such person to create and maintain any interfaces that the Customer may reasonably require.
- 5.3 Quorum will use all reasonable endeavours to inform the Customer of any development which might impact on the Quorum's ability to deliver the Services effectively and in compliance with Applicable Laws, including keeping the Customer informed of any material changes to the Quorum's technical accreditations.
- 5.4 Quorum will maintain adequate security management procedures, including procedures which comply with the ISO 27001 standard and ISO 9001 for quality management.
- 5.5 The Customer acknowledges that upon the occurrence of any of the events listed in this clause 5.5, Quorum's ability to maintain the service levels outlined under this Managed Services Agreement may be affected:
- 5.5.1 failure of the Customer to maintain the necessary environmental conditions for the Customer Operating Environment (other than on account of any act or omission by Quorum), save that Quorum will notify the Customer in writing as soon as reasonably practicable after it becomes aware of, during the course of its day to day activities, any abnormal conditions which may be detrimental to the Services or to the Customer's Operating Environment;
- 5.5.2 any breach by the Customer of its obligations under this Managed Services Agreement; or
- 5.5.3 any material modification or amendment to the Customer Operating Environment not authorised or approved by Quorum (such authorisation or approval not to be unreasonably withheld or delayed).
- 5.6 Quorum will use reasonable commercial endeavours to restore all affected Services to achieve the Service Levels as soon as reasonably practicable during and following remediation of the events or faults noted above in the is clause.

6 QUORUM'S PERSONNEL - TRANSFER OF UNDERTAKINGS

6.1 Quorum and the Customer acknowledge that the provision of Services under this Managed Services Agreement is not intended to constitute a "Relevant Transfer" under the TUPE Regulations.

6.2 The parties have agreed to the terms of this Clause 6 where, if, as a result of action initiated by an employee of Quorum under the provisions of the TUPE regulations upon termination of this Managed Services Agreement, any employee of Quorum becomes an employee of the Customer or Replacement Supplier, Quorum hereby indemnifies and shall keep indemnified the Customer against all liabilities, costs, expenses, damages, claims from Replacement Suppliers and losses (including all professional costs and expenses) suffered or incurred by the Customer arising out of or in connection with:

6.2.1 any failure by Quorum to comply with its legal obligations in respect of any of Quorum's employees including any obligation pursuant to the TUPE Regulations,

but only if the employee initiates an action or conciliation procedure within 3 months of the date of the transfer and excluding any liabilities, costs, expenses, damages or claims arising from either any failure by the Customer or Replacement Supplier to comply with its legal obligation pursuant to the TUPE Regulations.

6.3 Where the transfer of the employment of any Quorum employee or personnel is envisaged, Quorum will be given the option to reengage the employee within 7 days of such transfer.

6.4 For the avoidance of doubt, the indemnity offered by Quorum does not extend to any claims made against the Customer or Replacement Supplier on the grounds of discrimination, where such claims arise out of acts or omissions of the Customer or the Replacement Supplier.

7 CUSTOMER'S EXISTING IT STAFF - TRANSFER OF UNDERTAKINGS

7.1 The Customer represents, warrants and undertakes to Quorum that:

- 7.1.1 no persons are permanently or deliberately employed or engaged in the provision of the Services; and
 - 7.1.2 no employees, have given or received notice terminating their employment or will be entitled to give such notice as a result of the provisions of this agreement.
- 7.2 In the event that any employee or former employee, of the Customer, asserts the transfer of his employment (or his employment is held to have transferred) to Quorum under the TUPE Regulations as a result of this agreement, the Customer shall:
 - 7.2.1 immediately offer employment or re-engagement with the Customer to that employee; and
 - 7.2.2 in the event such offer is not accepted by such an employee, Quorum shall be entitled to terminate such employee's employment with it (including by way of Settlement Agreement or COT3 agreement) and the Customer shall indemnify and keep Quorum indemnified from and against all costs, claims and expenses (including reasonable legal costs) arising out of such termination by Quorum and the period of employment by Quorum.
- 7.3 The Customer shall indemnify and keep Quorum indemnified from and against all costs, claims and expenses (including reasonable legal costs) in respect of:
 - 7.3.1 any negligent actions or negligent omissions of any of the Customer's employees or former employees;
 - 7.3.2 any act or omission by the Customer before the Relevant Transfer date or any other matter, event or circumstance occurring before the Relevant Transfer date;
 - 7.3.3 all and any claims in respect of all emoluments and outgoings in relation to the employees (including all wages, bonuses, PAYE, National Insurance contributions, pension contributions and otherwise) payable in respect of any period before the Relevant Transfer date;

- 7.3.4 any claim made by or in respect of any person employed or formerly employed by the Customer for which it is alleged Quorum may be liable by virtue of this agreement and/or the TUPE Regulations; or otherwise; and
- 7.3.5 any failure of the Customer to inform and consult in respect of the TUPE Regulations.

8 FURTHER TERMS RELATING TO THE SERVICES

- 8.1 The Customer shall provide access to the Sites in order to fulfil its obligations under this Managed Services Agreement in line with the Customer responsibilities outlined in Clause 12.
- 8.2 Quorum shall ensure that Quorum's Personnel only access the Customer's Operating Environment to the extent necessary to perform the Services and the directions of the Customer. Quorum shall ensure that all Quorum's Personnel (and persons acting on behalf of Quorum) who enter a Site or access the Customer's Operating Environment adhere to Quorum's and the Customer's policies and procedures, in particular the Health and Safety, Confidentiality, Data Protection, IT Usage, and Information Security policies. Copies of these policies are available on request and Quorum shall ensure all Quorum's Personnel (and persons acting on behalf of Quorum) are aware of the terms of the policies. The Customer may remove or refuse admission or access to any person who, in the reasonable opinion of the Customer, has breached or may breach such policies and or is otherwise unsuitable to be providing the Services.
- 8.3 Quorum shall ensure that prior to being involved in the provision of the Services, Quorum's Personnel have received suitable training to allow them to provide the Services in accordance with this Managed Services Agreement and any other requirements of which the Customer has informed Quorum. In addition, Quorum shall deliver such further training to Quorum's Personnel as is necessary from time to time to ensure that Quorum's Personnel's knowledge and skills remain up-to-date during the Term and, in particular, to ensure that they are at all times aware of all of the obligations with which Quorum has agreed to comply in providing the Services to the Customer.

CHARGES

- 9.1 Subject to the other provisions of this Managed Services Agreement, the fee for the Services will be as detailed in Part [3] of the MS Schedule. The Monthly Service Fee will be invoiced monthly in advance. Fees and charges for any agreed additional services, such as hardware supply or project work to be provided under the agreement, will be invoiced in arrears unless otherwise specified as payable in advance by Quorum.
- 9.2 Subject to clause 21, upon expiry of the Initial Term, where the Service continues to be provided, the Monthly Service Fee shall be charged.
- 9.3 Quorum may increase the Monthly Service Fee and any other recurring fees specified in Part 3 of the MS Schedule on an annual basis with effect from each anniversary of the Commencement Date by 4% and the first such increase shall take effect on the first anniversary of the Commencement Date.
- 9.4 All invoices shall be payable within 30 days of receipt by the Customer, and in the case of the Monthly Service Fee by the first Business Day of the month to which it relates if later, except where an invoice is disputed in good faith by the Customer.
- 9.5 Subject to clause 9.6, the Customer shall reimburse any reasonable expenses properly incurred by Quorum where such expenses are incurred wholly and exclusively for the purpose of providing support as part of the Services, and provided that any request for reimbursement is in the form of a proper invoice.
- 9.6 Any travel required to the Sites, or any other site as designated by the Customer, which is incurred in the provision of the Services at the request of the Customer shall be chargeable to the Customer. Travel by train shall be reimbursed on the basis of standard class travel and travel by car shall be reimbursed on the basis of the current HMRC guidelines for mileage reimbursement. Quorum must obtain consent from the Customer before incurring any other expenses, unless not reasonably practicable to do so. If Quorum fails to obtain consent where it was reasonably practicable to do so, the Customer will not be obliged to reimburse those expenses.

- 9.7 If the Customer fails to pay any amount payable by it under this Managed Services Agreement, Quorum may charge the Customer interest on the overdue amount, payable by the Customer immediately on demand, from the due date up to the date of actual payment, after as well as before judgment, at the rate of [4%] a year above the base rate for the time being of the Bank of England. Such interest shall accrue on a daily basis and be compounded annually. No interest may be charged in respect of any sum which has not been paid and which is the subject of a bona fide dispute between the parties, unless the dispute is ultimately resolved in favour of Quorum.
- 9.8 All amounts payable under this Managed Services Agreement shall be exclusive of VAT which shall be paid at the rate and in the manner for the time being prescribed by law.
- 9.9 In addition to the increases provided for in clause 9.3, [after the Initial Term] Quorum may increase the Monthly Service Fee at any time provided that any such increase has been agreed to in writing in advance by the Customer.
- 9.10 Subject to clause 9.4, the Customer may not withhold payment of any sum by reason of any set-off of any claim or dispute with Quorum whether relating to the quality or performance of the Services or otherwise.

10 SERVICE LEVELS and REPORTING METHODOLOGY

- 10.1 Quorum shall review the Service with the Customer quarterly. Reporting methodology will be agreed between the Parties within 3 months of Commencement Date.

11 INTELLECTUAL PROPERTY RIGHTS

- 11.1 All Intellectual Property Rights in the Deliverables shall belong to Quorum and, save as provided otherwise in this Managed Services Agreement, the Customer shall have no rights in respect of any of the Deliverables provided to it under this Managed Services Agreement.
- 11.2 A perpetual, non-exclusive and royalty free licence is hereby granted to the Customer in respect of any Deliverables which are provided by Quorum during the Term for the purposes of (i) the continuation of the Services (in whole or in part), by either the Customer and/or a Replacement Supplier; (ii) use of such Deliverables in the Customer's

Operating Environment; and (iii) ensuring that the Customer shall continue to be able to receive the full nature, scope, range, benefit and functionality of services similar to the Services provided by Quorum under this Managed Services Agreement (as at the effective date of termination or expiry of the agreement), in each case following the effective date of termination or expiry of the agreement (the “**Permitted Purpose**”). Following the effective date of termination or expiry of the agreement, no warranty or support will be offered by Quorum to the Customer, unless (1) separately agreed between the parties and (2) the Deliverables remain unchanged by the Customer or any Replacement Supplier. The licence provided under this Clause 11.2 to the Customer for the Permitted Purpose is restricted to use by the Customer only and is not transferable under any circumstances, save that the Customer shall be entitled to grant a sub-licence to use the Deliverables to a Replacement Supplier for the Permitted Purpose only.

- 11.3 The licence provided under Clause 11.2, is provided in respect of the Deliverables on an “as is” basis, without warranty of any kind as to fitness for purpose or otherwise and Quorum shall not be liable to the Customer in respect of such licence following termination or expiry of this Managed Services Agreement.
- 11.4 Quorum shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Customer, its clients or its licensors but the Customer grants a licence of the Customer’s Intellectual Property Rights for the duration of this Managed Services Agreement solely for the purposes of allowing Quorum to perform the Services.
- 11.5 Quorum hereby grants to the Customer, or shall procure the direct grant to the Customer of, a licence to use the Intellectual Property Rights necessary to use the Services during the Term and to continue to use the Services or similar services from a Replacement Supplier after the Term.
- 11.6 Without prejudice to clause 11.2 in respect of the Deliverables, Quorum shall, if requested by the Customer, grant or procure the grant to the Customer and/or the Replacement Supplier of a perpetual, non-exclusive and royalty free licence to use any of Quorum’s other Intellectual Property Rights licensed under this Managed Services Agreement for the Permitted Purpose, subject to the Customer and/or the Replacement

Supplier entering into confidentiality undertakings with Quorum in a form reasonably acceptable to Quorum and the Customer (both parties acting reasonably).

- 11.7 The Customer shall ensure that, following the termination of the Managed Services Agreement, it obtains and maintains or renews any software licences or permissions it requires (from parties other than Quorum) to use or continue to use the Deliverables or Services (or any parts of them) provided that such third party licences are identified by Quorum as required for such use in the MS Schedule.

12 THE CUSTOMER'S RESPONSIBILITIES

- 12.1 Without prejudice to clause 8.1, the Customer shall provide Quorum and Quorum's Personnel (to the extent duly authorised by Quorum) with access (including remote access) to the Sites, systems and facilities of the Customer as may reasonably be required for the purpose of performing the Services, such access, except in the case of emergency or agreed Out Of Hours work, to be within Quorum's Business Hours . Where the Services are to be performed at any of the Sites, the Customer shall provide adequate working space and office facilities (including telephone) for use by Quorum's Personnel and take reasonable care to ensure their health and safety.
- 12.2 The Customer shall use reasonable endeavours to ensure that appropriate environmental conditions are maintained for the Services.
- 12.3 The Customer shall take reasonable steps to ensure that the Services are operated by the Customer's employees in a proper manner.
- 12.4 The Customer acknowledges that it is responsible for:
- 12.4.1 ensuring that its staff adhere to the proper use of the Services; and
 - 12.4.2 notifying Quorum of any change which may impact the Service being delivered by Quorum. These include but are not limited to:
 - 12.4.2.1 any change to the configuration of the Dependent Services;
 - 12.4.2.2 any change to the way in which the users access the Service;

12.4.2.3 end user support;

12.4.2.4 payment of any and all of the Customer's third-party licence or maintenance fees required in relation to any of the Services being administered or managed by Quorum where Quorum does not also own the relationship with the third party; and

12.4.2.5 changes to the Customer's Operating Environment.

12.5 The Customer shall nominate an employee (and may change that nomination from time to time) (the "**Customer Representative**") to be available to liaise with, and respond to queries from, Quorum. The first Customer Representative shall be the person named in Part [5] of the MS Schedule.

12.6 The Customer shall:

12.6.1 co-operate with Quorum and, using reasonable endeavours, provide any assistance or information (in its control or possession) as may reasonably be required by Quorum, including in relation to the diagnosis of any faults to permit Quorum to provide the Services; and

12.6.2 instruct its staff to report faults promptly to Quorum.

13 **NON-SOLICITATION**

13.1 The Customer shall not, for the duration of this Managed Services Agreement, and for a period of 12 months following expiry or termination of this Managed Services Agreement, directly or indirectly induce or attempt to induce any of Quorum's Personnel to leave the employment (or terminate such other engagement as those individuals have with Quorum or a supplier to Quorum) to join the Customer as employees or indirectly as contractors.

13.2 Quorum shall not, for the duration of this Managed Services Agreement, and for a period of 12 months following expiry or termination of this Managed Services Agreement, directly or indirectly induce or attempt to induce any employees of the Customer to leave the employment of the Customer to join the Quorum as employees (or indirectly as contractors).

14 **RISK AND TITLE**

Title to and risk in any media bearing any Deliverables or other information that may from time to time be supplied by Quorum to the Customer shall pass to the Customer on delivery to the Customer.

15 **QUORUM'S WARRANTIES**

15.1 Quorum warrants and undertakes to the Customer on an ongoing basis throughout the Term that:

15.1.1 the Services will be performed:

15.1.1.1 in accordance with all Applicable Laws (including the Bribery Act 2010) and Quorum will do nothing to cause the Customer to be in breach of any Applicable Laws;

15.1.1.2 in accordance with the requirements of this Managed Services Agreement; and

15.1.1.3 with all reasonable skill and care;

15.1.2 all of Quorum's Personnel will comply with all of the Customer's policies including those that apply to persons who are allowed access to the applicable Sites, as notified in writing to Quorum from time to time;

15.1.3 it will maintain and periodically test Quorum's BCP to ensure full operation of backup facilities and continuity of services to be provided to the Customer under this Managed Services Agreement and will notify the Customer of each invocation of Quorum's BCP;

15.1.4 it has and will continue to hold adequate security management procedures complying with ISO 27001 standard and quality standards that comply with ISO 9001;

15.1.5 it has, and will continue to hold, all Consents necessary to provide the Services;

- 15.1.6 it has full capacity and authority to enter into and to perform this Managed Services Agreement;
 - 15.1.7 this Managed Services Agreement has been properly entered into by Quorum;
 - 15.1.8 once duly signed, this Managed Services Agreement will constitute its legal, valid and binding obligations; and
 - 15.1.9 it will notify the Customer of any proposed change of ownership of Quorum during the Term (being a change in ownership of more than 50% of all of the issued shares of Quorum to a shareholder who is not a shareholder at the Commencement Date).
- 15.2 If, during the Term, Quorum becomes aware of any breach of the warranties and undertakings contained in clause 15.1, Quorum shall as soon as reasonably practicable notify the Customer of the breach and remedy that breach to the satisfaction of the Customer within a reasonable period following receipt of such notice (but being no longer than 30 days). If that such breach cannot be remedied within such 30 day period, the Customer may, either continue with the Managed Services Agreement in the knowledge that the breach cannot be remedied (but without prejudice to any and all rights and remedies that the Customer may have in respect of such breach) or terminate the agreement upon serving written notice to Quorum (the period of such notice not to exceed 6 months).

16 LIMITS OF LIABILITY

- 16.1 Except as expressly stated elsewhere in this clause 16:
- 16.1.1 Neither party shall have liability to the other for any losses or damages which may be suffered by that party under this Managed Services Agreement, whether the same are suffered directly or indirectly or are immediate or consequential, and whether the same arise in contract, delict (including negligence) or otherwise howsoever, which fall within any of the following categories:
 - 16.1.1.1 indirect losses or damages, even though that party was aware of the circumstances in which such indirect losses or damages could arise;

- 16.1.1.2 loss of profits;
 - 16.1.1.3 loss of anticipated savings;
 - 16.1.1.4 loss of business opportunity;
 - 16.1.1.5 loss of goodwill; or
 - 16.1.1.6 loss of, or damage to (including corruption of), data.
 - 16.1.2 Each party agrees that, in entering into this Managed Services Agreement, either it did not rely on any warranties, undertakings or representations (whether written or oral) of any kind or of any person other than those expressly set out in this Managed Services Agreement or (if it did rely on any warranties, undertakings or representations, whether written or oral, not expressly set out in this Managed Services Agreement) that it shall have no remedy in respect of such warranties, undertakings or representations and (in either case) neither party shall have any liability otherwise than in accordance with the express terms of this Managed Services Agreement;
 - 16.1.3 subject to clause 16.2, the total liability of Quorum to the Customer, whether in contract, delict (including negligence) or otherwise under this Managed Services Agreement shall in no circumstances exceed the Service Fee (excluding any VAT) invoiced by Quorum in any Contract Year;
- 16.2 The limitations or exclusions of liability in this Managed Services Agreement shall not apply in respect of the following:
 - 16.2.1 any failure of Quorum to comply with Applicable Laws including the Bribery Act 2010;
 - 16.2.2 death or personal injury caused by the negligence of a party, its officers, employees, contractors or agents;
 - 16.2.3 fraud or fraudulent misrepresentation of a party;

16.2.4 breach of the obligations implied by section 12 of the Sale of Goods Act 1979 or section 2 Supply of Goods and Services Act 1982; or

16.2.5 any other liability to the extent that it cannot be limited or excluded by law.

17 CONFIDENTIALITY AND PUBLICITY

17.1 Each party shall, during the Term and thereafter, keep confidential, and shall not use for any purposes other than the proper implementation of this agreement, nor without the prior written consent of the other disclose to any third party (except its professional advisors or as may be required by any law or any legal or regulatory authority), any Confidential Information of the other party.

17.2 Clause 17.1 shall not apply to the extent that such Confidential Information:-

17.2.1 was public knowledge at the time of disclosure, otherwise than through a breach of this agreement;

17.2.2 was already known to such party at the time of disclosure without obligation of confidentiality, prior to its disclosure;

17.2.3 subsequently becomes public knowledge other than by breach of this agreement; or

17.2.4 subsequently comes lawfully into the possession of such party from a third party which has no obligation of confidentiality.

17.3 Each party may disclose the Confidential Information of the other party only to those of its staff requiring the Confidential Information for the purposes of the agreement. Each party shall notify the other party if any of its staff connected with the provision or receipt of the Services becomes aware of any unauthorised disclosure of any Confidential Information and shall afford reasonable assistance to the other party, at that other party's reasonable cost, in connection with any enforcement proceedings which that other party may elect to bring against any person.

- 17.4 At the written request of the Customer, Quorum shall procure that each member of Quorum's Personnel identified in the Customer's request signs a confidentiality undertaking in favour of the Customer and in the form specified by the Customer prior to or at any time after commencing any work in connection with this agreement.
- 17.5 The terms of this agreement may not be disclosed by either party (other than to its legal advisors or to comply with a regulatory or legal requirement) without the prior written consent of the other party.
- 17.6 The parties agree that each party may seek such remedies as may be necessary to prevent a breach of confidentiality or other serious breach, or threatened breach, of this agreement. Such remedies may include, without limitation, injunctive relief and/or interdict and interim interdict.
- 17.7 At the Customer's request, Quorum shall return, destroy or permanently erase (as directed in writing by the Customer) any documents, handbooks, CD-ROMs or DVDs or other information or data it holds, reflecting, incorporating or based on Confidential Information belonging to the Customer. If required by the Customer, it shall provide written evidence (in the form of a letter signed by an authorised signatory no later than 28 days after termination of this agreement that these have been destroyed and that it has not retained any copies of them (except for one copy that it may use for audit purposes only and subject to the confidentiality obligations in this clause 17)).

18 DATA PROTECTION

- 18.1 The provisions of Clause 9 of the Quorum Terms and Conditions in relation to data protection shall apply and those provisions are incorporated into to the Managed Services Agreement (save that references to Quorum Terms and Conditions in that Clause 9 shall be interpreted as referring to this Agreement and the Description of Processing shall be interpreted as referring to that set out in Part [7] of the MS Schedule rather than the Statement of Work).

19 **ASSIGNATION AND SUBCONTRACTING**

- 19.1 The Customer shall not assign, novate, charge, subcontract or deal in any other manner with any or all of its rights and obligations under this Managed Services Agreement without the prior written consent of Quorum (such consent not to be unreasonably withheld or delayed).
- 19.2 Quorum shall not at any time assign, novate, charge, subcontract or deal in any other manner with any or all of its rights and obligations under this Managed Services Agreement, without the prior written consent of the Customer.
- 19.3 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

20 **TERM**

- 20.1 Supply of the Services by Quorum to the Customer shall commence on the Commencement Date and, subject to earlier termination in accordance with the provisions of this Managed Services Agreement (including clause 21.1), shall continue for 12 months (the “Initial Term”). The supply of the Services shall continue under this Managed Services Agreement thereafter until terminated by either Quorum or the Customer on not less than three months’ prior written notice to the other, such notice to be served at any time.

21 **TERMINATION**

- 21.1 Without prejudice to any rights that have accrued under this Managed Services Agreement or any of its rights or remedies and save in relation to clause 21.1.14 where the right of termination applies to the Customer only, either party may at any time terminate this Managed Services Agreement and/or the Services with immediate effect by giving written notice to the other party if:
- 21.1.1 save in the case of a bona fide dispute that the Customer may have with Quorum regarding the provision of the Services, the other party fails to pay any amount due under this Managed Services Agreement on the due date for

payment and remains in default not less than 28 days after being notified in writing to make such payment.

- 21.1.2 the other party is in material breach of this Managed Services Agreement, which is irremediable.
- 21.1.3 the other party is in material breach of this Managed Services Agreement, which is remediable but fails to remedy such default within 30 days following a notice requesting remedy from the other party.
- 21.1.4 the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.
- 21.1.5 the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party.
- 21.1.6 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or on connection with the winding up of that other party other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party.
- 21.1.7 an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party.
- 21.1.8 a floating charge holder over the assets of that other party has become entitled to appoint or has appointed an administrative receiver.
- 21.1.9 a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party.

- 21.1.10 a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, diligence, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days.
- 21.1.11 any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 21.1.4 to clause 21.1.10 (inclusive).
- 21.1.12 other party suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business.
- 21.1.13 a dispute is raised by the other party under the Dispute Resolution process in clause 31 and the process is deemed to have been exhausted under the terms of clause 31.3;
- 21.1.14 there is a change of ownership of Quorum (being a change in ownership of more than 50% of all of the issued shares of Quorum to shareholders who are not shareholders of Quorum at the Commencement Date).
- 21.2 Either party may terminate this Managed Services Agreement as provided for in and in accordance with clause 20.
- 21.3 The parties acknowledge and agree that any breach of clauses 9, 11, 12, 16, or 17 shall constitute a material breach of a term for the purposes of this clause.

22 EFFECT OF TERMINATION OR EXPIRY

- 22.1 Other than as set out in this Managed Services Agreement, neither party shall have any further obligation to the other under this Managed Services Agreement after its termination or expiry.
- 22.2 Termination or expiry of this Managed Services Agreement, for any reason, shall not affect the accrued rights, remedies, obligations or liabilities of the parties existing at termination.

- 22.3 Notwithstanding its obligations in this clause 22, if a party is required by any law, regulation, or government or regulatory body to retain any documents or materials containing the other party's Confidential Information, it shall notify the other party in writing of such retention, giving details of the documents and/or materials that it must retain.
- 22.4 Within 30 days after service of a notice to terminate this Managed Services Agreement by either party the parties shall meet and use their respective reasonable endeavours to agree the contents of an exit plan.
- 22.5 Quorum shall co-operate with the Customer and/or the Replacement Supplier to the extent reasonably required to facilitate the smooth migration of the Services from Quorum to the Customer and/or the Replacement Supplier and
- each party shall as soon as reasonably practicable:
- 22.5.1 comply with its obligations under clause 17.7; and
- 22.5.2 return all of the other party's equipment and materials. Until these are returned or repossessed, the party in possession shall be solely responsible for their safe keeping.
- 22.6 On the date of termination or expiry of this Managed Services Agreement (in either case the "**Termination Date**"), Quorum shall:
- 22.6.1 as soon as reasonably practicable, vacate the Customer's premises leaving them clean and tidy and removing any goods, materials or equipment belonging to it; and
- 22.6.2 provide, during Quorum's Business Hours, to the Customer and/or the Replacement Supplier for up to 6 months after the Termination Date: -
- 22.6.2.1 such information relating to the Services as remains in the possession or control of Quorum; and

22.6.2.2 reasonable assistance which may include (where requested by the Customer) continuing to provide some of the Services after the Termination Date. Quorum will charge reasonable fees and expenses for the provision of such services.

22.7 Save in respect of any invoice and/or interest which is the subject of a bona fide dispute and without prejudice to any right of set off or claims of the Customer relating to a bona fide dispute, on termination or expiry of this Managed Services Agreement for any reason, the Customer shall immediately pay any outstanding unpaid invoices and interest due to Quorum under the terms of this Managed Services Agreement. Quorum shall submit invoices for any Services that it has supplied, but for which no invoice has been submitted, and save as provided above, the Customer shall pay these invoices immediately on receipt.

22.8 The provisions of clauses 1, 3.4, 11, 12, 13, 14, 17, 15, 21, 29, 31.1, 31.3, and 33 shall survive the termination for any reason or expiry of this Managed Services Agreement.

23 NO WAIVER

23.1 No failure or delay by a party to exercise any right or remedy provided under this Managed Services Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy.

23.2 No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

24 REMEDIES

24.1 Except as expressly provided in this Managed Services Agreement, the rights and remedies provided under this Managed Services Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

25 ENTIRE AGREEMENT

- 25.1 This Managed Services Agreement and any documents referred to in it constitute the whole agreement between the parties in respect of the provision of the Services and supersedes any previous arrangement, understanding or agreement between them relating to the subject matter of this Managed Services Agreement.
- 25.2 Each party acknowledges that, in entering into this Managed Services Agreement and the documents referred to in it, it does not rely on any warranties, undertakings or representation of any person (whether a party to this Managed Services Agreement or not) other than as expressly set out in this Managed Services Agreement or those documents.
- 25.3 Each party agrees that (except as otherwise expressly stated in this Managed Services Agreement) the only rights and remedies available to it arising out of or in connection with a warranty, undertaking or representation shall be for breach of contract as expressly provided in this Managed Services Agreement.

26 VARIATION

- 26.1 No variation of this Managed Services Agreement shall be effective unless it is in writing (using the format of the Template Variation Agreement in Part [8] of the MS Schedule) and signed by the parties (or their authorised representatives).

27 SEVERANCE

- 27.1 If any court or competent authority finds that any provision of this Managed Services Agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this Managed Services Agreement shall not be affected.
- 27.2 If any invalid, unenforceable or illegal provision of this Managed Services Agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

28 **NO PARTNERSHIP OR AGENCY**

28.1 Nothing in this Managed Services Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, nor authorise any party to make or enter into any commitments for or on behalf of any other party.

29 **FORCE MAJEURE**

29.1 The provisions of Clause 17 of the Quorum Terms and Conditions in relation to Force Majeure Events shall apply and those provisions are incorporated into to the Managed Services Agreement.

30 **NOTICES**

30.1 Any notice or other communication required to be given under this Managed Services Agreement shall be in writing and shall be sent by email or recorded delivery or by commercial courier, to each party required to receive the notice or communication as set out below:

30.1.1 **Quorum:** Managing Director, Quorum Network Resources Limited, 18 Greenside Lane, Edinburgh, EH1 3AH, or

Quorum email address [INSERT]; and

30.1.2 **Customer:** [INSERT REVELANT NAME AND ADDRESS HERE]

Customer email address: [INSERT];

or as otherwise specified by the relevant party by notice in writing to the other party.

30.2 Any notice or other communication shall be deemed to have been duly received:

30.2.1 if delivered by recorded delivery or commercial courier, on the date and at the time that the delivery receipt is signed; or

30.2.2 if delivered by email at the time of sending to the correct email address (unless sent at weekends or bank holidays in which case at 10 am on the first working day).

30.3 The provisions of this clause 30 shall not apply to the service of any proceedings or other documents in any legal action.

31 DISPUTE RESOLUTION

31.1 It is the intention of the parties to settle amicably by negotiation all disagreements and differences of opinion on matters of procedure and management arising out of this Managed Services Agreement. Accordingly, it is agreed that the procedure set out in this clause 31 shall be followed in relation to any matter of dispute between the parties concerning procedure or management.

31.2 If any disagreement or difference of opinion arises out of this Managed Services Agreement, the matter shall be disposed of as follows:

31.2.1 a Quorum Director, other than the Managing Director, and a representative of the Customer's management team shall meet to attempt resolution. Should they not meet within 14 days of the date on which either party convenes a meeting to resolve the matter, or should they not be able to resolve the matter within 14 days of first meeting; then

31.2.2 the matter shall promptly be referred by either party to the Managing Director of the Customer, and the Managing Director of Quorum for immediate resolution.

31.3 If, within 14 days of the matter first having been referred to the relevant Managing Director, no agreement has been reached as to the matter in dispute, the dispute resolution process set out in this clause 31 shall be deemed to have been exhausted in respect of the matter in dispute, and each party shall be free to pursue the rights granted to it by this Managed Services Agreement in respect of such matter without further reference to the dispute resolution process.

31.4 For the avoidance of doubt, this clause 31 shall not prevent either party from seeking interdict or other injunctive relief in the case of any breach or threatened breach by the other of any obligation of confidentiality or any infringement by of Intellectual Property Rights.

32 MISCELLANEOUS

32.1 Each party undertakes, at the request of and at the cost of the requesting party, to do all acts and execute all documents which may be necessary to give full effect to this Managed Services Agreement.

32.2 Nothing in this Managed Services Agreement is intended to create a partnership or legal relationship of any kind that would impose liability on one party for the act or failure to act of the other party, or to authorise either party to act as agent for the other party. Neither party shall make representations, act in the name of, on behalf of or otherwise bind the other party.

33 INSURANCE

33.1 During the Term, Quorum shall maintain in force at least the following insurance policies with reputable insurance companies to cover its relevant potential liabilities in connection with this Managed Services Agreement:

- 33.1.1 a public liability insurance policy with a limit of at least £5 million per claim;
- 33.1.2 a professional indemnity insurance policy with a limit of at least £2 million per claim;
- 33.1.3 employer's liability insurance with a limit of at least £10 million for claims arising from a single event or series of related events in a single calendar year; and
- 33.1.4 product liability insurance with a limit of at least £5 million for claims arising from a single event or series of related events in a single calendar year.

- 33.2 On the written request of the Customer, Quorum shall provide the Customer with a copy of each insurance policy. On the renewal of each policy, Quorum shall promptly send a copy of the receipt of the premium paid by Quorum to the Customer.
- 33.3 Quorum shall, during the Term, and for a period of two years thereafter:
- 33.3.1 administer the insurance policies and Quorum's relationship with its insurers at all times to preserve the benefits for the Customer set out in this Managed Services Agreement;
 - 33.3.2 do nothing to invalidate any insurance policy or to prejudice the Customer's entitlement thereunder; and
 - 33.3.3 procure that the terms of such policies are not altered in such a way as to diminish the benefit of the policies for the Customer as required by this Managed Services Agreement.

34 GOVERNING LAW AND JURISDICTION

- 34.1 This Managed Services Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the [laws of Scotland] [OR] the laws of England and Wales].
- 34.2 [FOR English contracts only - delete for Scottish contracts] The Quorum Terms and Conditions shall be governed by and construed in accordance with the laws of England and Wales].
- 34.3 The parties irrevocably agree that the courts of Scotland [OR] [England and Wales] shall have [non-] exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Managed Services Agreement or its subject matter or formation (including non-contractual disputes or claims).

[NOTE:

For contracts governed by Scots law per clause 34 use "IN WITNESS WHEREOF" wording.

For contracts governed by English law, use the signing block with the wording “**IN WITNESS of the above**” after the Schedule Part 9 to this Agreement and delete the “**IN WITNESS WHEREOF**” signing blocks].

IN WITNESS WHEREOF this agreement comprising of this and the [X] preceding pages, together with the MS Schedule (in [X] Parts) is executed in duplicate by the parties as follows:-

Subscribed for and on behalf of **Quorum Network Resources Limited** by

Name:

Title:

..... Director Signature

Location of Signature: 18 Greenside Lane, Edinburgh, EH1 3AH

On:

in the presence of

Witness (Print name)

..... Witness Signature

Address

.....

Subscribed for and on behalf of the **Customer** by

Name:

Title:

..... Director Signature

Location of Signature:

On:

in the presence of

Witness (Print name)

..... Witness Signature

Address

.....

This is the MS Schedule referred to in the foregoing Managed Services Agreement between Quorum Network Resources Limited and [the Customer].

MS SCHEDULE

Part 1 - Service

Quorum shall provide such services, resources and functions to the Customer (and its staff) at the Sites as may be expected from an IT managed service, proactively monitoring and maintaining the following components as part of the day to day service during Standard Support Hours (unless specified otherwise). The Services are listed below.

Service Deliverable	Description
IT Strategy	
Service Delivery Management	
Service Reporting	
Server Monitoring	
Infrastructure Support	
SQL DBA Support	
Database Administration	
End User Support	
3rd Party Supplier Management	
3 rd Party Business Application Support	
Network Management	
Service Desk	
Backups & Resilience	
Server Patching	
Excluded Services	[INSERT/DELETE AS APPROPRIATE]

	• IT strategy; • End user support; • Network and infrastructure management; • Backups and restore; • The provision, maintenance and support of the hardware; • Facilities management; • Air conditioning; • Building security entry system (including access to IT rooms); • Power; • Cabling; • Any multi-function device(s) hardware and software; • Faults caused by bugs in 3rd party software; • Information security policy development/maintenance and enforcement; • Data protection requirements and any related internal polices; • Maintenance and enforcement of the Customer's "improper use" policy.
--	---

A blend of the following supplier resources will be used in the delivery of the Services:

Resources	Description
Resources	

Part 2 - Service Level Agreement

Service level agreements (SLA) in place are included below:

- Where delivery of the Service is dependent on the obligations of a party external to Quorum, an internal Customer team or an external 3rd party, the service levels below are dependent on and subject to the service levels which have been agreed between the Customer and relevant 3rd party suppliers and the performance of those 3rd parties;
- In the first instance, Severity 1 tickets should be reported by telephone;
- All the response times listed are based on Quorum's Business Hours;
- Unless otherwise agreed, an Incident Report will be issued for all Priority 1 tickets within 48 hours of resolution.

Incident Type	Incident Detail for Critical Systems	Target Initial Incident Response Time
Priority 1	All users cannot access all or part of the system	90% within 1 hour
Priority 2	More than one user, but not all the user base, cannot access all or part of the service	85% within 4 hours
Priority 3	A single user cannot access all or part of the service	85% within 8 hours
Priority 4	No significant impact to any user	80% within 2 working days

Part 3 - Fee Table

Service Description	Monthly Fee
Managed Service fee	
Device monitoring and remote-control agent license fee. (£## per device per month).	Variable based on usage
Monthly Total	£###+VAT

The above fees are based on performance of the activities described in Part 1. Any changes to the organisation structure, headcount, significant infrastructure alterations, the business applications supported or requested service changes will trigger a technical and commercial discussion between Customer and Quorum on the possible need for adjustment to the fees - the outcome of these discussions will not necessarily result in a rate change (either up or down).

Part 4 - Current Rate Card

For any project services required by Customer and to be delivered by Quorum out with the terms of this agreement, as presently noted in Part 1 of the Schedule, new or additional services will be costed in line with this Part 4 of the Schedule, as at the Commencement Date. This Part 4 of the Schedule is subject to review and amendment in each Contract Year (but not the first Contract Year) on or after the Anniversary Date in line with current market rates and will be communicated to the Customer in writing in advance of any application of said increase.

Role	Description	Day Rate
Partner/Director	Director level professional with 15+ years' experience having previously run IT or Security departments; have been members of or have represented executive forums and overseen the delivery of Security or IT programmes.	G-Cloud Rate Card
IT Architect	An Executive-level Consultant with 10+ years' experience architecting, designing, and delivering Security or IT programmes working across various industries and regions.	G-Cloud Rate Card
Senior Consultant	A senior Security, Infrastructure or Development Consultant with 5+ years' experience of designing and delivering secure infrastructure and/or development applications.	G-Cloud Rate Card
Senior Database Analyst	A database analyst with 5+ years' experience of designing, implementing, and supporting range of database platforms.	G-Cloud Rate Card
Portfolio/ Programme Manager	A Prince2 qualified Programme Manager with 10+ years' experience of delivering IT and Security projects within enterprise environments across infrastructure, development or data environments.	G-Cloud Rate Card
IT Trainer	Qualified and experienced IT Trainer with 5+ years' experience of creating and delivering training content.	G-Cloud Rate Card
Project Manager	A Prince2 qualified Project Manager with 3+ years' experience of delivering IT projects within Enterprise environments.	G-Cloud Rate Card

Part 5 - Sites and Users and Customer Representative

Customer Representative: [Insert Name and position]

Primary Locations	Number of Users

Part 6 - Hardware, Software and Third Party Support Details

The following list of 3rd party services are in scope of the services provided by Quorum:

Third Party Service	Provider

Quorum is not in a position to be responsible for the following aspects of the Customer's Operating Environment

[Delete as necessary]

- [Wide Area Network Links and Wide Area Network Hardware;
- Internet Links;
- Local Area Network Hardware;
- Telephony Equipment;
- MFDs; and
- External Telephone Lines.]

Part 7 - Description of Data Processing

The processing of personal data is as follows *(provide a description of the subject matter and nature of the processing, including any systems used to store and process personal data, obligations of the processor and any rights of the controller with regards to the personal data):*

.....
.....

Data subjects

The personal data concerns the following categories of data subjects (please specify):

.....
.....

Purposes of the Processing

The processing is necessary for the following purposes (please specify):

.....
.....

Categories of data

The personal data processed fall within the following categories of data (please specify):

.....
.....

Sensitive data (if appropriate)

The personal data processed fall within the following categories of sensitive data (please specify):

.....
.....

Instructions with regards to the processing of personal data:

The Processor shall process the Personal Data only in accordance with the instructions of the Controller.

Part 8 - Template Variation Agreement

TEMPLATE VARIATION AGREEMENT



VARIATION AGREEMENT

between

QUORUM NETWORK RESOURCES LIMITED

and

[Customer]

[INSERT DATE HERE]

VARIATION AGREEMENT NO. [1] is made on [Insert date]

1 **QUORUM NETWORK RESOURCES LIMITED** incorporated and registered in Scotland with company number SC196645 whose registered office is at 18 Greenside Lane, Edinburgh, EH1 3AH (“**Quorum**”); and

2 **Client name** incorporated and registered in Scotland with company number [insert number] whose registered office is [address including post code] (“**Customer**”).

WHEREAS:

(1) Quorum and the Customer entered into an agreement for the supply of services (“**Managed Services Agreement**”)

(2) Details...,

(3) Details...,:

- details
- details
- Details.
-
- :

AGREED TERMS AS FOLLOWS:

1. INTERPRETATION

1.1. Any terms that are used but not defined in this amendment will have the same meanings given them in the Managed Services Agreement.

2. EFFECTIVE DATE

2.1. The terms of this variation agreement are effective from [INSERT DATE].

3. AMENDMENTS TO the AGREEMENT

3.1. Clause X. “[INSERT CLAUSE NAME]s” is hereby amended as follows:

3.1.1. “[INSERT NEW CLAUSE/AMENDED CLAUSE”

3.2.

4. AMENDMENTS TO THE SCHEDULE(S)

Part [X] of the Schedule is hereby amended to include [OR][IS REPLACED BY] [the following Services] [OR][THE FOLLOWING SCHEDULE]:

SCHEDULE

Part [X]

[Insert]

5. EFFECT OF THIS VARIATION

5.1. Except as specifically amended by this variation, all other provisions of the Managed Services Agreement shall remain unchanged, and in full force and effect.

IN WITNESS WHEREOF this agreement comprising of this and the [X] preceding pages, is executed in duplicate by the parties as follows: -

Subscribed for and on behalf of **Quorum Network Resources Limited** by

Name:

Title:

..... Director Signature

Location of Signature: 18 Greenside Lane, Edinburgh, EH1 3AH

On:

in the presence of:

Witness (Print name)

..... Witness Signature

Address

.....

Subscribed for and on behalf of the **Customer** by

Name:

Title:

..... [Customer Signature]

Location of Signature:

On:

in the presence of:

Witness (Print name)

..... Witness Signature

Address

.....

Part 9 - Quorum BCP

AVAILABLE ON REQUEST

Part 10 - Technical and Organisational Measures

- Quorum's access to systems is undertaken on a least-privilege basis. Technical controls are implemented to ensure that all employees only have a level of access as is necessary for the task being undertaken and is appropriate to their role. For highly privileged access, additional controls are in place such as secondary approval before access is granted.
- Events and access undertaken for management of licencing and subscriptions under Microsoft CSP are logged.
- Multi-factor authentication is used at all times.
- For management of Microsoft CSP, Quorum make use of Microsoft Partner Centre, Azure and Microsoft 365. A wide range of controls across these systems are managed by Microsoft to ensure they are compliant and secure. Further information can be found within the Microsoft Trust Center (<https://www.microsoft.com/en-gb/trust-center/>)
- All data at rest on Quorum devices used for management is encrypted using Bitlocker.
- All access and data in transit with systems is undertaken using secure protocols with modern encryption technologies.
- Quorum has an appointed Data Protection Officer (DPO) to oversee data protection strategies and ensure compliance with GDPR.
- Regular training is provided to all Quorum employees on data protection principles and practices to ensure compliance with GDPR.

IN WITNESS of the above this agreement has been executed by or on behalf of each of the Parties and delivered as a deed on the date written at the beginning of this agreement.

Signed as a deed by **Quorum Network Resources Limited**

acting by [INSERT NAME OF INDIVIDUAL], a Director

Director

in the presence of

Witness Signature

Witness Name

Witness Address

Signed as a deed by the **Customer**

acting by [INSERT NAME OF INDIVIDUAL], a Director

Director

in the presence of

Witness Signature

Witness Name

Witness Address