

HSO MASTER SERVICES AGREEMENT

PARTIES

1. **HSO Enterprise Solutions Limited**, a limited company incorporated under English law with registered number **09910591** whose registered address is Third floor, Jackson House, Sibson Road, Sale M33 7RR, England (“**HSO**”);
2. **Customer**, a limited company incorporated under English law with registered number **reg number** whose registered address is **address** (the “**Customer**”).

Effective Date: Date of Signature

For the purpose of clause 4.11, the Credit Limit applicable to the Customer is £ **To Be Confirmed**.
For the purpose of clause 18.1, the Customer’s email address is **email address**.

BACKGROUND

- (A) HSO has agreed to provide certain software and software-related services as agreed from time to time to the Customer (the “**Programme**”).
- (B) The details of the Programme (including deliverables, acceptance arrangements, timescales and charges) are to be documented in a sequence of Statements of Work, to be agreed by the parties in accordance with this Agreement.
- (C) Any Software or Cloud Services to be provided to the Customer shall be set out in a Software Schedule or CSP Schedule to be agreed by the parties in accordance with this Agreement.
- (D) Any Support Services to be provided to the Customer shall be set out in a Support Services Schedule to be agreed by the parties in accordance with this Agreement.

1. Definitions and interpretation

In this Agreement the following definitions shall apply:

- 1.1 “**Cloud Services**” means the cloud services to be procured by HSO from Microsoft on behalf of the Customer as set out in a CSP Schedule.
- 1.2 “**Credit Limit**” means the credit limit set out on the first page of this Agreement.
- 1.3 “**CSP Schedule**” means the document(s) agreed between the parties setting out details of the Cloud Services to be procured by HSO on behalf of the Customer.
- 1.4 “**Deliverables**” or “**Deliverable**” means any and all deliverable items (such as specifications, graphics, computer programs, data, reports and all other written materials and computer output) that are produced and/or supplied by HSO in the course of providing Project Services but excluding (for the avoidance of doubt) any Third Party Software.
- 1.5 “**Dispute**” is defined in clause 26.1.
- 1.6 “**Effective Date**” means the date stated on the front page of this Agreement.
- 1.7 “**Expenses Policy**” means the policy set out in Schedule 1, as amended from time to time on written notice by HSO to the Customer.
- 1.8 “**Expiry Date**” means the date 12 months after completion of the last Contract.
- 1.9 “**Intellectual Property Rights**” or “**Intellectual Property**” means patents, trademarks, service marks, rights (registered or unregistered) in any designs, applications for any of the foregoing, trade or business names, copyright (including rights in computer software) and topography rights; rights in know-how and other proprietary knowledge and information; internet domain names; rights protecting goodwill and reputation; database rights and all rights and forms of protection of a similar nature to any of the foregoing or having equivalent effect anywhere in the world.
- 1.10 “**Microsoft Customer Agreement**” means an agreement between the Customer and Microsoft for the performance of the Cloud Services by Microsoft.
- 1.11 “**Microsoft Partner of Record**” means the digital partner of record (or the equivalent in any replacement initiative adopted from time to time by Microsoft) for the Customer’s Microsoft subscriptions.
- 1.12 “**Online Solution**” means all online (cloud) services hosted by Microsoft to which Customer has a subscription based on an agreement, including Microsoft Dynamics Online Services, Microsoft Online Services, Office 365-services, Dynamics 365-services and Microsoft Azure Services.
- 1.13 “**Project**” means the scope of services set out in a Statement of Work.
- 1.14 “**Project Services**” means the services to be provided by HSO to the Customer as set out in a Statement of Work.
- 1.15 “**Services**” means Project Services and Support Services.
- 1.16 “**Software**” means
 - (a) the software listed in a Software Schedule;
 - (b) any Deliverable that:
 - (i) is software;
 - (ii) is an adaptation of, or intended to add to or work with any of the software listed in a Software Schedule; and
 - (iii) is accepted by the Customer in accordance with agreed acceptance tests; and
 - (c) any other software agreed between the parties from time to time, all of which will be collectively referred to as the “**Software**”.
- 1.17 “**Software Schedule**” means the document(s) agreed between the parties setting out details of the Software licences to be provided by HSO to the Customer.
- 1.18 “**Specification**” means a written specification for the Deliverables (if any) set out in a Statement of Work.
- 1.19 “**Statement of Work**” means the document(s) agreed between the parties setting out details of the Project Services to be provided by HSO to the Customer.
- 1.20 “**Support Services**” means the support services set out in a Support Services Schedule.
- 1.21 “**Support Services Schedule**” means the document(s) agreed between the parties setting out the details of the Support Services to be provided by HSO to the Customer.
- 1.22 “**Third Party Software**” means any software supplied by HSO to the Customer which is not produced specifically for the Customer and the Intellectual Property Rights in which are owned by a third party, and the use of which is either licensed directly to the Customer by the third party or sub-licensed to the Customer by HSO.
- 1.23 “**Third Party Software Licence**” means the licence agreement governing the use of Third Party Software, attached to or referenced in the relevant Software Schedule.

- 1.24 “**User Manual**” means any manual in printed or electronic form designed and intended to assist end users of the Software in the use and operation of the Software.
- 1.25 “**Working Day**” means Monday to Friday other than bank holidays in England.
- 1.26 “**Working Hours**” means 09:00 to 18:00 hours UK time on Working Days unless otherwise specified in a Contract.
- 1.27 In this Agreement:
- (a) reference to persons shall include legal as well as natural persons and (where the context so admits) references to the singular shall include the plural and vice versa;
 - (b) reference to clause numbers and schedules shall be to those of this Agreement unless the contrary is stated;
 - (c) headings in this Agreement are for convenience only and shall not affect its interpretation;
 - (d) reference to “including” or “includes” shall be treated as being by way of example and shall not limit the general applicability of any preceding words;
 - (e) any Software supplied or licensed under this Agreement will not be treated as goods within the meaning of the Sale of Goods Act 1979;
 - (f) references to “**this Agreement**” refer to this Agreement as amended or added to from time to time in accordance with its terms.
- 1.28 Other documents and materials will only be incorporated into a Software Schedule, Support Services Schedule, CSP Schedule or a Statement of Work if expressly and unambiguously identified and incorporated into them.
- 1.29 If a Software Schedule, Support Services Schedule, CSP Schedule or Statement of Work conflicts with the provisions of this Agreement then the provisions of this Agreement shall have precedence.

2. How this Agreement operates

- 2.1 Before HSO supplies any such Software, Cloud Services, Project Services and/or Support Services, HSO and the Customer will in each case first agree and execute:
- (a) a Software Schedule (in the case of Software);
 - (b) a CSP Schedule (in the case of Cloud Services);
 - (c) a Statement of Work (in the case of Project Services); and/or
 - (d) a Support Services Schedule (in the case of Support Services)
- 2.2 Each Software Schedule, CSP Schedule, Statement of Work and Support Services Schedule signed by the parties will form a separate agreement (a “**Contract**”) between the Customer and HSO on the terms contained in it and in this Agreement (other than this clause 2 and clause 14.1, which shall not apply to the Contract) and in which references to “this Agreement” will be construed as references to “this Contract”. Each Contract shall be separately terminable by either party in accordance with the terms set out in this Agreement. No Contract shall come into effect until both parties have signed the Contract. HSO will not be liable to provide any Software or Services unless and until a Contract has been agreed and signed by or on behalf of both HSO and the Customer in relation to the Software or Services concerned. Where a Statement of Work, Support Services Schedule, CSP Schedule or Software Schedule is attached as Annex 1 to this Agreement, that Statement of Work, Support Services Schedule CSP Schedule or Software Schedule will be deemed to be a Contract and have effect from the Effective Date or such other date as stated in the Contract.
- 2.3 The Customer shall appoint HSO as its Microsoft Partner of Record for the duration of this Agreement. The Customer shall within 7 days notify HSO of any purchases of software or services directly from Microsoft made by the Customer together with details of the price paid for the same.
- 2.4 Where the Customer purchases Microsoft software licences or Microsoft cloud services other than through HSO and HSO is not named as Partner of Record, and which are required to be used or supported by HSO as part of the delivery of its Services, then HSO shall charge the Customer a monthly administration fee equal to 30% of the software list price in respect of such licences and services.
- 2.5 The Customer recognises and accepts that, where the Contract relates to an Online Solution, the Customer shall nominate HSO as the primary manager of the Online Solution, with access to Customer’s Microsoft product portal and with application management rights and access to Customer data. The Customer may request additional application management rights from HSO.

3. Title and risk

- 3.1 Title to Software shall not pass to the Customer but will remain with HSO or any relevant third party licensor. Software will be licensed as set out in this Agreement. Other than as expressly stated in this Agreement, this Agreement does not operate to grant, or impose on HSO any obligation to grant in future, any right or licence under or in relation to any Intellectual Property Rights of HSO.

- 3.2 HSO does not provide Cloud Services itself. Where the Customer has ordered Cloud Services under a CSP Schedule, the Customer must sign a Microsoft Customer Agreement in the form required by Microsoft which will govern the terms of the Cloud Services provided by Microsoft to the Customer. The Customer accepts that Microsoft reserves the right to reject the Customer or any order placed by HSO for Cloud Services, in which case HSO will refund any monies paid by the Customer in respect of such Cloud Services. The Customer acknowledges that it will purchase Support Services in respect of the Cloud Services from HSO.
- 3.3 Title to Deliverables will be dealt with as follows:
- (a) Deliverables that are Software will fall within clause 3.1;
 - (b) in relation to any other Deliverables, title to the physical medium on which the relevant Deliverables are recorded will pass to the Customer on payment in full for the Deliverable concerned, but otherwise title to the Deliverable will not pass to the Customer but will remain with HSO or any relevant third party licensor.
- 3.4 Risk of loss or damage to any Deliverables shall pass to the Customer on delivery.
- 3.5 If payment for Deliverables is not made or if prior to such payment being made HSO becomes entitled to terminate this Agreement (whether or not it actually does so), then HSO may require the Customer to return all such Deliverables and may enter the Customer's premises during Working Hours in order to remove and recover them (after which HSO may sell or deal with them as it sees fit). Recovery by HSO under this clause 3.5 shall be without prejudice to any other rights or remedies available to HSO.
- 4. Payment and charges**
- 4.1 The Customer shall pay to HSO such charges as are set out in a Contract. Charges are exclusive of any travel, accommodation, materials or other expenses incurred by HSO in carrying out its obligations under this Agreement, which shall be invoiced by HSO and paid by the Customer as set out in the Expenses Policy.
- 4.2 Where the Statement of Work sets out charges for the Project Services, the Customer shall pay the charges as set out in the Statement of Work.
- 4.3 If the Statement of Work does not specify the charges for the Project Services then HSO will charge for the Project Services to be supplied in accordance with that Statement of Work on a time and materials basis in accordance with HSO's rates as set out in Schedule 2 and HSO shall invoice for the Project Services in arrears twice monthly on the 15th day and the last Working Day of the month.
- 4.4 Unless otherwise specified in a Support Services Schedule HSO shall invoice yearly in advance for Support Services.
- 4.5 Where Project Services are provided on a time and materials basis, the minimum period of time chargeable for an individual for any day where that individual is working at the premises of the Customer is a half day (being four hours), irrespective of the actual time spent.
- 4.6 All charges referred to in this Agreement are exclusive of VAT and the Customer shall be responsible for paying to HSO all applicable VAT and any other similar taxes imposed on charges for services or supplies made by HSO under this Agreement.
- 4.7 The Customer shall be responsible for the payment of any taxes imposed by any governmental taxing authority on the amounts the Customer is liable to pay to HSO under this Agreement, including, but not limited to, withholding taxes of whatever nature ("**Withholding Taxes**"). The Customer agrees promptly to pay any Withholding Taxes and obtain and deliver to HSO proof of payment of such Withholding Taxes together with official evidence thereof issued by the governmental authority concerned, sufficient to enable HSO to support a claim for a tax credit in respect of any sum so withheld. If HSO is unable to obtain such tax credit due to the Customer's failure to comply with the above provision, then the Customer agrees to pay to HSO a sum equal to the amount of the tax credit not able to be claimed by HSO.
- 4.8 Each invoice shall be paid by the Customer within 14 days of the date of the invoice.
- 4.9 HSO may charge interest on all sums outstanding beyond the date on which they are due for payment under this Agreement from the date payment was due until the date of payment (before as well as after judgment). Such interest shall accrue and be calculated on a daily basis, at a rate of 4% per annum above the base rate from time to time of National Westminster Bank plc.
- 4.10 HSO reserves the right to modify the rates in Schedule 2 with 30 days' notice provided that any increase only applies to Contracts executed after the date of this modification.
- 4.11 In the event that the Customer's anticipated spend with HSO deviates materially from the anticipated spend at the date of this Agreement, HSO may, on not less than 14 days' written notice to the Customer vary the Credit Limit to reflect the changed anticipated spend.
- 4.12 In addition to any other rights and remedies available under this Agreement, in the event that the total sums (i) invoiced under this Agreement (and any other agreement between HSO and the Customer)

but not yet paid and (ii) payable for Services supplied but not yet invoiced (under this Agreement and any other agreement between HSO and the Customer) (together the "Monies Owed"), exceed the Credit Limit, HSO may:

- (a) immediately invoice in respect of sums payable for Services supplied but for which no invoice has been submitted; and/or
- (b) withhold provision of any or all of the Services until the Customer makes payment of sufficient sums to reduce the total amount of all Monies Owed to below the Credit Limit in which case HSO shall have no liability to the Customer for the consequences of any delay suffered by the Customer as a result of such withholding of Services.

4.13 The Customer acknowledges that HSO will be committing resources to deliver Project Services to the Customer and their timely redeployment may be difficult. Consequently:

- (a) In the event that the Customer stops planned work on a Statement of Work (other than where the Customer terminates the Statement of Work pursuant to clause 14.2) prior to completion of the Statement of Work, Customer agrees that HSO may invoice the Customer for the balance of the estimated fees due under the Statement of Work;
- (b) In the event that the Customer fails to agree with HSO the next intended Statement of Work required to deliver against the Programme plan agreed at the start of the Programme (and as maintained throughout the Programme by HSO), Customer agrees that HSO may invoice the Customer at the agreed rates for any resources to be used by HSO for Services to be provided to the Customer planned by the parties for the next 60 days according to the agreed Programme plan at the time. This invoice shall be reduced by the charges associated with any HSO team resources reallocated by HSO to other HSO customers during such 60-day period. HSO shall use reasonable endeavours to reallocate such resources.

4.14 All payments to be made by the Customer under this Agreement shall be made without any deduction or set-off.

5. Warranties

5.1 HSO warrants that:

- (a) the Customer shall have the right to possess and use the Deliverables in accordance with the terms of this Agreement;
- (b) it shall use reasonable efforts to ensure that all Deliverables supplied by it are, at the date of delivery, virus-free; and
- (c) Services will be supplied by HSO:
 - (i) with reasonable skill and care; and
 - (ii) by means of appropriately qualified and skilled personnel.

5.2 HSO warrants that it will use reasonable endeavours to provide the Deliverables in accordance with the Specification.

5.3 HSO does not warrant that any Software will be entirely free from defects or that its operation will be entirely error free.

5.4 The Customer warrants and undertakes that it is the owner of any machines, equipment, premises or property on, at or in relation to which the Services are to be performed or is authorised by the owner to make them available to HSO for that purpose.

5.5 HSO does not warrant the performance by Microsoft under the terms of any Microsoft Customer Agreement. The Customer accepts that any remedy for the provision of any Cloud Services is governed by the terms of the Microsoft Customer Agreement and, other than in respect of any failure by HSO to pay Microsoft in respect of such Cloud Services, the Customer hereby releases HSO from and in respect of any liability in respect of the same.

5.6 Warranties in respect of Third Party Software are contained in the Third Party Software Licence applicable to that Third Party Software and not in this clause 5.

5.7 Save as expressly set out in this Agreement, no conditions, warranties, representations or other terms (whether express or implied or arising through trade usage or custom) apply to anything supplied under or in relation to this Agreement by HSO (including Deliverables and Services).

5.8 If any warranties or other obligations entered into by HSO under a Statement of Work are breached or not performed (or alleged to be breached or not performed), the Customer shall notify HSO in writing as soon as possible of the same. The Customer shall give HSO a reasonable time to remedy any such breach or non-performance and (if necessary) to supply the Customer with a repaired or corrected version of any relevant Deliverables or re-perform any relevant Services. If HSO fails to do this within a reasonable time then HSO may if it wishes elect, as applicable:

- (a) to take back any relevant Deliverables (and any related User Manuals) and to refund to the Customer all of charges which the Customer has paid to HSO under the Statement of Work in relation to those Deliverables; and/or
 - (b) to refund to the Customer all charges which the Customer has paid to HSO under the Statement of Work in relation to any relevant Services;
- and where HSO so elects, this will be the Customer's exclusive remedy in relation to such breach or non-performance and HSO will not have any other liability in relation to the same.

6. Intellectual Property Rights

6.1 Ownership of Intellectual Property Rights will be dealt with as follows:

- (a) the Intellectual Property Rights in any material supplied by the Customer to HSO to enable HSO to provide the Services will be owned by the Customer. The Customer grants HSO a non-exclusive licence to use the material concerned solely for the purpose of providing the Services;
- (b) the Intellectual Property Rights in any pre-existing or generic material (including any software) used or created by HSO in providing the Services will (except to the extent it falls within clause 6.1(a)) be owned by HSO or any relevant third party licensor;
- (c) subject to clauses 6.1(a) and 6.1(b), the Intellectual Property Rights in any Deliverables produced by HSO in the course of providing the Services will be owned by HSO and the Customer will be granted a non-exclusive, global, royalty-free, perpetual licence to use such Deliverables for its own internal business purposes, provided that the Customer does not:
 - (i) provide or otherwise make available such Deliverables or any part or copies or any related documentation in any form to any third party; or
 - (ii) transfer or assign such licence without HSO's prior written consent;
- (d) to the extent that the use of any material (including any software) the Intellectual Property Rights in which are owned by HSO or licensed to HSO by a third party is embedded in or forms part of, or is otherwise necessary for the use of, any Deliverables (including any software), then subject to clause 6.2 the Customer will have a non-exclusive licence to use the material concerned for the intended purpose of the Deliverables.

6.2 If any Deliverables are an adaptation of any Software previously licensed by HSO to the Customer, then clause 6.1(d) will not apply to the Deliverables concerned and they will instead and following their acceptance by the Customer in accordance with the Statement of Work be treated as forming part of the relevant Software and will be licensed to the Customer on the same terms (excluding warranty terms) as the Software concerned.

6.3 Nothing in this clause 6 will limit either party's obligations with regard to confidentiality in clause 12.

6.4 Third Party Software supplied by HSO to the Customer under this Agreement will not be treated as Deliverables for the purposes of this Agreement and will be licensed to the Customer pursuant to the terms of the Third Party Software Licences. Only deliverable items to be produced or supplied under a Statement of Work produced and agreed in this Agreement will be treated as Deliverables for the purposes of this Agreement.

7. IPR Indemnity

7.1 Subject to clause 7.3, if compliance with the Customer's designs, specifications or instructions results in HSO being subject to any claim for infringement of any third party Intellectual Property Rights or any other third party rights, the Customer will indemnify and hold harmless HSO against such claims. Such indemnity will include all damages, costs and expenses incurred by HSO as a consequence of or in connection with such claim.

7.2 Subject to clauses 7.1 and 7.3, HSO will indemnify and hold harmless the Customer from and against any and all claims made against the Customer alleging that the use of any Deliverables infringes the Intellectual Property Rights of a third party. Such indemnity will include all damages, costs and expenses incurred by the Customer as a consequence of or in connection with such claims.

7.3 In this clause 7.3 an "IPR Claim" means a claim pursuant to clause 7.1 or 7.2. In the event of an IPR Claim, the indemnified party shall:

- (a) give written notice to the indemnifying party immediately following its becoming aware of the IPR Claim;
- (b) give the indemnifying party sole control and conduct of the defence of the IPR Claim;
- (c) make no admissions in respect of the IPR Claim;
- (d) at the indemnifying party's expense give such assistance as may reasonably be required by the indemnifying party in the defence, settlement or compromise of the IPR Claim.

8. Exclusions and limitations

- 8.1 The liability of each party:
- (a) for death or personal injury resulting from its negligence or that of its employees or agents;
 - (b) for breach of any condition as to title or quiet enjoyment implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
 - (c) for fraud or fraudulent misrepresentation;
- is not excluded or limited by this Agreement, even if any other term of this Agreement would otherwise suggest that this might be the case.
- 8.2 Subject to clause 8.1, even if such loss was reasonably foreseeable or HSO had been advised of the possibility of the Customer or a third party incurring the same, HSO excludes and accepts no liability for any:
- (a) loss of profits;
 - (b) loss of sales or revenue;
 - (c) loss of turnover;
 - (d) loss of goodwill;
 - (e) loss of opportunity;
 - (f) loss of use of computer equipment, software or data;
 - (g) business interruption;
 - (h) wasted management or other staff time; or
 - (i) any indirect, consequential or special loss, however arising.
- 8.3 Subject to clauses 8.1 and 8.2, HSO's liability arising from or in relation to breaches of Schedule 3 (Data Processing Agreement) shall not exceed £500,000.
- 8.4 Subject to clauses 8.1, 8.2 and 8.3, HSO's liability arising from or in relation to this Agreement (whether in tort, for breach of contract, any claim for payment or otherwise):
- (a) in relation to damage to property shall not exceed the sum of £1 million for each event or series of connected events;
 - (b) subject to (a) above, in relation to any Statement of Work shall be limited to the total amount payable by the Customer to HSO under the relevant Statement of Work;
 - (c) subject to (a) above, in relation to any Third Party Software shall be limited to the total amount payable by the Customer to HSO in respect of such Third Party Software;
 - (d) subject to (a) above, in relation to any Support Services Schedule shall, in each year of the Support Contract, be limited to the fees payable under the Support Services Schedule, in such year.
- 8.5 HSO shall have no liability to the Customer in respect of any breach of contract unless the Customer shall have served valid notice of the same upon HSO within two years of the date that the cause of action accrued.
- 8.6 HSO shall not be liable for:
- (a) its failure to perform any of its obligations under this Agreement, if such failure is a result of the inability (through no fault of HSO) of Customer's or a third party's equipment or software, to process or properly exchange accurate data with Deliverables provided by HSO;
 - (b) any breach of any term of this Agreement to the extent that the breach concerned results from a failure by the Customer to provide accurate information to HSO; or
 - (c) its failure to perform any of its obligations under this Agreement if such failure is a result of any failure by the Customer to comply with its obligations set out in a Contract.
- 8.7 The Customer acknowledges that the limitations on liability set out in this clause 8 are reasonable in all the circumstances and is also recognition of the fact that it is not within HSO's control how and for what purpose(s) Deliverables and the results of Services provided by HSO are used by the Customer.

9. Co-operation by the Customer

- 9.1 The Customer shall co-operate (and shall procure the co-operation of its employees) as reasonably required by HSO in order to assist HSO in performing its obligations under this Agreement. Such co-operation shall include:
- (a) allowing HSO reasonable access to the Customer's premises to enable HSO to carry out its obligations under this Agreement;
 - (b) taking all reasonable steps to ensure the health and safety of HSO's employees and contractors while they are at the Customer's premises;
 - (c) promptly reporting to HSO any suspected defect or error in any Deliverables or Services of which the Customer becomes aware (and confirming the details in writing);
 - (d) promptly providing HSO with all information and documents;

- (e) providing at no charge adequate office accommodation, a secure work space, telephone services, fax facilities and other facilities including access to the applicable Customer computers and systems to enable HSO to perform the Services.
 - (f) making available reasonable facilities for the storage and safekeeping of equipment used by HSO in connection with the performance of its obligations under this Agreement.
- 9.2 The Customer shall allow HSO to check the use of Deliverables, and in connection with that purpose the Customer grants access to HSO to any premises occupied by the Customer in order to check that Deliverables are being used in accordance with this Agreement.
- 9.3 The Customer is responsible for ensuring that all:
 - (a) permissions and consents; and
 - (b) site preparation (including the preparation of a suitable operating environment), necessary to allow delivery and (as applicable) installation of Deliverables and performance of the Services have been obtained or has taken place by the date on which they are intended to be delivered or performed under this Agreement.
- 9.4 The Customer is responsible for setting up and maintaining adequate disaster recovery and backup procedures in respect of its hardware, software and data.
- 9.5 The Customer will carry out its obligations as set out in a Statement of Work or a Support Services Schedule.
- 9.6 It is the Customer's responsibility to test the Software, ensure users are adequately trained on the Software and ensure the suitability of the Software for use in the Customer's business.
- 9.7 The Customer shall no later than the start date of a Project appoint a member of the Customer's staff who shall act as administrative contact and shall have responsibility for the delivery by the Customer of its obligations in relation to a Project (the "**Project Sponsor**") and shall notify HSO of the identity and contact details of the Project Sponsor. The Customer shall use reasonable endeavours not to change the identity of the Project Sponsor during the course of the relevant Project, but in the event of change will promptly notify HSO with updated details. The Customer shall procure the attendance by the Project Sponsor at project board meetings as defined in the relevant Project plan.
- 10. Materials provided by Customer**
- 10.1 When any software (other than the Software provided by HSO under this Agreement) is to be made available to HSO by the Customer and used or installed by HSO on the Customer's behalf the Customer shall:
 - (a) indemnify HSO against all liability arising in connection with the use or installation of such program;
 - (b) supply HSO with all necessary passwords required for the use or installation of such program;
 - (c) complete any licence or support documentation contained with such program;
 - (d) be responsible for safeguarding the Customer's data.
- 10.2 If HSO is requested by the Customer to adapt, modify or prepare derivative works based upon materials supplied by the Customer the Customer shall indemnify HSO, its personnel and sub-contractors against any claims, demands, damages, costs and expenses made against or suffered by HSO arising in connection with or relating to any such adaptation, modification or derivative work.
- 11. Staffing**
- 11.1 Specific personnel will only be used by HSO if this is stated in the relevant Statement of Work. Otherwise, HSO may use such staff to provide the services as it thinks appropriate. If specified staff are used, HSO will use its reasonable endeavours not to change them in the course of any given Project, but cannot guarantee not to do so. If specified staff do have to be replaced, HSO will notify the Customer and provide the Customer with details of any relevant replacement staff.
- 11.2 Any staff or contractors of HSO expressly designated to perform the Services will be entitled to take their annual leave or other leave and to attend HSO's internal meetings as reasonably required by HSO taking into account the requirements of this Agreement.
- 12. Confidentiality**
- 12.1 Each party shall keep confidential any confidential information disclosed to it by the other. This includes information that is marked as confidential or which, from its nature, content or circumstances in which it is provided, might reasonably be considered to be confidential. Neither party shall disclose any such information to any third party except to:
 - (a) anyone that this Agreement says the information may be disclosed to;
 - (b) any officer, employee or member of staff who need the information in order to enable the party concerned to carry out any of its obligations, or exercise any of its rights, under this Agreement;

(c) the extent that its disclosure is required by applicable law or regulation, provided that each party shall be responsible for ensuring that any person to whom information is disclosed complies with any conditions of confidentiality applying to such information under this Agreement.

12.2 Nothing in clause 12.1 shall apply to any information:

- (a) which is (or which becomes) available to the public other than by breach of this Agreement or of any other duty owed to the disclosing party;
- (b) which the party receiving the information already possesses or which it originates independently in circumstances in which that party is free to disclose it.

12.3 The obligations of this clause 12 shall survive termination or expiry of this Agreement for a period of two years after such termination.

12.4 Subject to its confidentiality obligations above, nothing in this Agreement will prevent HSO from using or re-using in any way it deems fit any know-how, techniques, methods or general business or technical knowledge used, acquired or developed by it in the course of performing its obligations and exercising its rights under this Agreement.

12.5 The Customer agrees that:

- (a) on agreement of the MSA, the parties will agree and issue a press release announcing the relationship;
- (b) HSO may use the Customer's name and logo in its marketing materials as a customer of HSO;
- (c) following completion of a Statement of Work HSO may release a press statement documenting the completion of said Services;
- (d) it will consent to act as a reference (including calls and site visits); and
- (e) it will jointly create a case study documenting the services provided by HSO.

13. Data protection

13.1 As per Schedule 3 the parties have agreed a separate Data Processing Agreement which governs the basis on which personal data of the Customer will be processed by HSO.

13.2 HSO shall handle the security token(s) (if applicable) provided by the Customer with due care.

14. Termination and suspension

14.1 This Agreement shall come into effect on the Effective Date and unless terminated earlier in accordance with its terms shall remain in force until the Expiry Date, on which date it shall expire. Expiry of this Agreement under this clause 14.1 shall not of itself terminate any Contracts. Termination of this Agreement shall not of itself terminate any Contracts.

14.2 Either party may terminate this Agreement by notice to the other in the event that the other:

- (a) is in material breach of this Agreement where the breach is incapable of remedy; or
- (b) is in material breach of this Agreement where the breach is capable of remedy but the other has failed to remedy the breach within 30 Working Days of receiving notice requiring it to be remedied.

A material breach shall include breach by the Customer of its payment obligations.

14.3 HSO may immediately and without notice to the Customer terminate this Agreement:

- (a) if the Customer ceases or threatens to cease to carry on business or is deemed to be unable to pay its debts within the meaning of any of the paragraphs (a) to (e) of section 123(1) or section 123(2) of the Insolvency Act 1986;
- (b) if any distress or execution is made on any of the Customer's property or assets;
- (c) if the Customer makes or offers to make any arrangement with creditors;
- (d) if any resolution or petition to wind up the Customer's business (other than for the purpose of amalgamation or reconstruction) shall be passed or presented or if a receiver or administrative receiver of the Customer's undertaking, property or assets shall be appointed or a petition presented for the appointment of an administrator;
- (e) if, where the Customer is an individual, the Customer dies or becomes bankrupt;
- (f) if the Customer is subject to an event analogous to any of the above in any jurisdiction in which it is incorporated, resident, carries on business or has assets.

14.4 In the event of breach by the Customer of any of its obligations under this Agreement, or any obligations as to payment in respect of any other agreement or Contract with HSO then, in addition to any other rights which HSO may have, HSO may immediately and without notice suspend performance of its obligations under this Agreement until the Customer's obligations have been fully and properly performed.

14.5 The rights of termination and suspension in this clause 14 are without prejudice to any other rights which HSO may have whether under this Agreement or otherwise.

- 14.6 Termination or expiry of this Agreement will not affect any accrued rights or liabilities which either HSO or the Customer may have under this Agreement at the time termination takes effect.
- 14.7 On termination or expiry of this Agreement:
- (a) all unpaid charges and expenses in relation to this Agreement shall become immediately due and payable by the Customer; and
 - (b) the Customer shall, within 20 Working Days, deliver to HSO anything provided by HSO under this Agreement (and all copies of any such items or material) in the Customer's possession or control and to which title has not passed to the Customer.
- 14.8 Termination of this Agreement shall not of itself terminate any other Contract.
- 14.9 Clauses 1, 5.7, 5.8, 6, 8, 12, 14.5, 14.6, 14.7, 15, 24, 25, 27 and 28 shall continue in full force and effect notwithstanding the termination or expiry of this Agreement.
- 14.10 In the case of Third Party Software, if HSO's relationship with a third party licensor ends, the Customer shall comply with any directions and requirements of the third party licensor set out in applicable Third Party Software Licences and any directions and requirements set out in any other applicable agreements with respect to such Third Party Software.

15. Waiver of remedies

- 15.1 No forbearance, delay or indulgence by either party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach.
- 15.2 The rights and remedies set out in this Agreement are cumulative to, and not exclusive of, any rights or remedies available at law.

16. NOT USED

17. Severability

- 17.1 In the event of any provision of this Agreement being held for any reason to be invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity or enforceability of any other provision of this Agreement or of the remainder of this Agreement as a whole.

18. Notices and consents

- 18.1 All notices, agreements and consents under this Agreement to a party shall be in writing, which shall include email, and shall be sent to the address of that party set out in this Agreement or to such other address as either party shall notify to the other in accordance with this clause. Any letter may be delivered by hand or first class pre-paid post and shall be deemed to be delivered if sent by hand when delivered and if by first class post 48 hours after posting. Any email sent shall be deemed to be delivered at 9am the next Working Day. For notices sent to HSO, the email address is HSO-UK-Contracts@hso.com and for Customer, the email address is as set out earlier in this Agreement.

19. Variations

- 19.1 Variations to this Agreement shall not be effective unless they are in writing and signed on behalf of both parties.

20. Delay and force majeure

- 20.1 No party shall be liable for any delay or failure in performing any of its obligations under this Agreement if such delay or failure is caused by circumstances outside the reasonable control of the party concerned).

21. Assignment and sub-licensing

- 21.1 HSO may assign any of its or their rights or obligations arising under this Agreement and may sub-contract any of its obligations under this Agreement.
- 21.2 The Customer may not without the prior written consent of HSO assign or otherwise transfer the benefit of this Agreement or any rights under it (including any licence(s)).
- 21.3 The Customer may not sub-license any rights granted to it under this Agreement without the prior written consent of HSO.

22. No partnership, etc.

22.1 Nothing in this Agreement shall create a partnership or joint venture between the parties or give the rights of a partner or joint venture to either party. The parties are independent contractors.

23. No exclusivity

23.1 This Agreement is not an exclusive arrangement and nothing within it will operate to prevent HSO from engaging in providing software or services to any third parties. For the avoidance of doubt, nothing in this Agreement shall oblige HSO to enter into any Contracts with the Customer.

24. Rights of third parties

24.1 No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Agreement.

25. Non-solicitation

25.1 During the term of this Agreement and for a period of 6 months from (a) its expiry or termination or (b) if later, the last day of provision of the relevant Services, the Customer will not directly or indirectly solicit the employment of or provision of services by any person employed by or acting on behalf of HSO in relation to the Services. If the Customer is in breach of this condition then, in recognition that HSO will suffer substantial damage, the Customer will pay HSO by way of liquidated damages and not by way of penalty a sum equal to the current annual salary of the employee concerned.

26. Dispute Resolution

26.1 The parties shall try to resolve any difference or dispute relating to this Agreement (a **"Dispute"**) by good faith negotiation. The Customer shall provide such access to the Customer's Microsoft development environment (and in particular the DevOps environment or equivalent system) as is requested by HSO for the purposes of allowing HSO to evaluate and settle any Dispute.

26.2 If any Dispute cannot be resolved amicably within 7 Working Days through ordinary negotiations by appropriate representatives of HSO and the Customer, the Dispute shall promptly be referred by each party to a responsible high level person within each party who will in good faith try to resolve the Dispute. If the Dispute has not been resolved in this way within 14 further Working Days, either party may refer the matter to mediation in accordance with the provisions of clause 26.3.

26.3 The parties shall attempt to settle the Dispute by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator will be nominated by CEDR. To initiate the mediation a party must give notice in writing (an **"ADR Notice"**) to the other party to the dispute requesting mediation. A copy of the request shall be sent to CEDR Solve. The mediation will start not later than 10 Working Days after the date of the ADR Notice.

26.4 No party may commence any court proceedings in relation to any dispute arising out of this Agreement until it has attempted to settle the dispute by mediation and either the matter has not been resolved by mediation within 30 days of the initiation of such procedure or the other party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay..

26.5 This clause 26 shall be without prejudice to the right of either party to apply at any time to any court of competent jurisdiction for emergency or interim relief.

27. Entire agreement

27.1 This Agreement constitutes the entire and only agreement and understanding of the parties relating to the subject matter of this Agreement. This Agreement supersedes any previous agreement or understanding between the parties relating to its subject matter.

27.2 Each of the parties acknowledges and agrees that in entering into this Agreement, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty, understanding or commitment of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement.

27.3 The only remedy available to either party for breach of warranties shall be for breach of contract under the terms of this Agreement.

28. Governing law and jurisdiction

28.1 This Agreement shall be governed by and interpreted in accordance with the laws of England.

28.2 Any dispute that arises between the parties concerning this Agreement shall, subject to clause 26, be determined by the courts of England and the parties hereby submit to the exclusive jurisdiction of the same for such purpose.

Schedule 1

Expenses Policy

Air Travel

Air travel should only be used when it is the most cost and time-effective mode available.
All travel should be in economy class and the best value airline must be selected.
Advance bookings often result in cheaper fares and this is to be done where possible.

Rail Travel

All journeys should be in economy or equivalent class and the lowest cost alternatives of return or saver tickets should be used. When practical, journeys should be timed to take advantage of off-peak fares.

Taxis

Taxis may only be used where train or tube services are not available.

Car Travel

Mileage allowance will be payable at 50p per mile or 25p per mile for motorcycles.
Car parking costs and toll charges will be reimbursed where appropriate.
It is not policy to pay any fines incurred by the employee (e.g. parking fines, speeding fines etc.).
Company employees are responsible for paying any congestion charges and should reclaim them via the expenses system in the normal way.

Hire Cars

Hiring a car or other vehicle should have approval before booking.

Accommodation

Advance bookings often result in cheaper rates and this should be done where possible. The best value accommodation of a reasonable standard should be selected.

Maximum average hotel rates per night are as follows (excluding VAT):

- UK Cities: £140
- London: £160
- Abroad: £150.

Breakfast may be included in the nightly rate but if it is not, a breakfast can be charged to the room.

Subsistence

Employees may claim the reasonable costs of meals and drinks taken in the course of business travel. The limits are as follows:

- Breakfast can be included in overnight stays
- Lunch: £6 per day
- The evening meal should not exceed £40.

All expenses incurred must be supported by receipts.

The following expenses are not allowable:

- Laundry expenses (unless trip exceeds one week)
- Streaming/DVD/TV charges.

Currency

Expenses incurred in a foreign currency should be translated into sterling using the relevant rate in force on the date of the transaction, or when the currency was purchased.

Schedule 2

Resource Levels / Roles			1 March 2025 Price list Rates	
			Day £	Hour £
<u>Consulting</u>				
CF6	SMC	Enterprise Architect, Senior Managing Consultant	1,905.00	238.13
CF5	MCO	Solution Architect, Managing Consultant	1,660.00	207.50
CF4	SCO	Senior Consultant, Finance Consultant	1,505.00	188.13
CF3	NCO	Application Consultant	1,380.00	172.50
CF2	JCO	Associate Consultant	725.00	90.63
<u>Development</u>				
TF4	SDV	Onshore Developer	1,295.00	161.88
TF3	NDV	Nearshore Developer	950.00	118.75
	ODV	Offshore Developer	720.00	90.00
TF2	JDV	Associate Developer	830.00	103.75
<u>Technology Services</u>				
SF5	MDV	Technical Architect	1,575.00	196.88
SF4	STS	Senior Technical Consultant	1,460.00	182.50
SF3	NTS	Technical Consultant	1,365.00	170.63
<u>Management</u>				
CF7	PMP	Programme Manager, Steering Committee Member	1,865.00	233.13
CF5	PMM	Project Manager	1,580.00	197.50
	PMC	Project Controller / Coordination	1,140.00	142.50
	PMO	Project Office / Assistance	940.00	117.50
The following terms apply unless specifically agreed otherwise:				
1. The day rates above will apply for work during a nominal 8-hour day Monday to Friday, excluding UK public holidays. Hourly rates are calculated from the day rates accordingly.				
2. Charges for Services performed on a Customer site will be calculated using the resource's appropriate hourly rate, taking into account the Out of Hours Work rates defined below, and in minimum units of 4 hours (0.5 days).				
3. Charges for Services performed remotely, including meetings using phones, Teams or any other tools, will be calculated using the resource's appropriate hourly rate, taking into account the Out of Hours Work rates defined below.				
4. "Out of Hours Work" is defined as (i) work performed in excess of 8 hours per day Monday to Friday or (ii) work performed at any time during weekends and UK public holidays.				
a. The rate for Out of Hours Work, Monday to Friday and excluding UK public holidays, will be 150% of the resource's hourly rate.				
b. The rate for Out of Hours Work on weekends and UK public holidays will be 200% of the resource's hourly rate.				
5. "Standby Hours" are defined as those hours during which a resource may be made available by prior agreement for Customer project support during which they may or may not be asked to work. e.g. on standby for support of a project 'Go Live' event. A "Standby Period" is defined as an agreed number of Standby Hours and will be a minimum of 8 hours. The total charge for each resource made available for a Standby Period will be calculated as follows:				
a. the number of hours of work performed by the resource during the Standby Period multiplied by the appropriate hourly rate for the resource, taking into account the Out of Hours Work rates defined above and in units of 1 hour; plus				
b. the number of Standby Hours not worked by the resource in the Standby Period multiplied by 50% of the resource's standard hourly rate.				
6. Travel time to and from a customer site is chargeable at the associated resource's hourly rate.				
7. Expenses are not included.				
8. All rates and expenses are exclusive of VAT.				

Schedule 3

Data Processing Agreement

1. Definitions

- 1.1 **Agreement:** the Master Service Agreement (MSA) to which this Data Processing Agreement forms part.
- 1.2 **Data Controller:** the data controller within the meaning of the UK GDPR, is the person who determines which personal data is processed for what purpose, in what manner and by what means, as meant in article 4 paragraph 7 UK GDPR.
- 1.3 **Data Processor:** the data processor within the meaning of the GDPR, is a party outside the organisation of the responsible person, who processes data for the benefit of the *Data Controller*, i.e. in accordance with its written instructions pertaining to the processing and under its (explicit) responsibility, as meant in article 4 paragraph 8 UK GDPR.
- 2. **Data Protection Officer:** the officer, appointed by Customer, as meant in article 37 UK GDPR.
- 2.1 **Data Protection Law:** all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018 (DPA 2018) (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended.
- 2.2 **Data Subject:** a person whom Personal Data relates to, as meant in article 4 paragraph 1 UK GDPR.
- 2.3 **Personal Data:** any data relating to an identified or identifiable natural person as meant in article 4 sub 1 UK GDPR provided by or on behalf of the Customer to HSO under the Agreement.
- 2.4 **Personal Data Breach:** a breach of security resulting in the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, the personal data transmitted, stored or otherwise processed by HSO on behalf of Customer under the Agreement, as meant in article 4 paragraph 12 UK GDPR.
- 2.5 **Processing:** any act or any set of acts regarding personal data, including, in any case, collecting, recording, organising, storing, updating, modifying, retrieving, consulting, using, providing by means of transmission, dissemination or any other form of making available, compiling, shielding, erasing, or destruction of data, as set out in section 3(4) DPA 2018 and article 4 paragraph 2 UK GDPR.
- 3. **Sub Processor:** any subsequent processor, as defined in the Data Protection Law, engaged by HSO and/or its affiliated enterprises who agrees to process Personal Data – by extension - on behalf of Customer.
- 3.1 **UK GDPR:** has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

2. Duration and end of the Data Processing Agreement

- 2.1 This Data Processing Agreement shall enter into force on the date that Parties sign the Agreement
- 2.2 After signing, this Data Processing Agreement forms an integral part of the Agreement.
- 2.3 This Data Processing Agreement will be in force during the term of the Agreement. If the Agreement ends, this Data Processing Agreement will end automatically.
- 2.4 Neither Party may terminate this Data Processing Agreement prematurely.

3. Object of this Data Processing Agreement

- 3.1 HSO shall process, on behalf of Customer, Personal Data as shown in the Personal Data Scope (see Appendix 1).
- 3.2 HSO shall process the Personal Data in a proper and careful manner and in accordance with the Data Protection Law.
- 3.3 HSO shall process Personal Data only on behalf of Customer and shall follow all written instructions of Customer in this regard, unless required to do so by European Union or UK law to which HSO is subject.
- 3.4 HSO has no control over the purpose and resources for processing Personal Data. Unless otherwise provided in this Data Processing Agreement, HSO shall take no decisions about the use of the Personal Data, the disclosure to third parties and the duration of the data storage. Control of the Personal Data provided under this Data Processing Agreement shall never lie with HSO.

- 3.5 The obligations of HSO, arising from this Data Processing Agreement, also apply to those who are Processing Personal Data under the authority of HSO.
- 3.6 Save as required by a legal obligation, HSO is not allowed to provide Personal Data to anyone other than the Customer, unless at the written request of Customer, or with Customer's written consent. HSO is obliged to confirm in writing that Personal Data has been provided, whereby HSO must accurately describe the provided categories of Personal Data, the Data Subject(s), the recipient(s) and the time of provision. No specific permission or written confirmation is required arising from existing agreements.
- 3.7 If HSO is required to provide Personal Data due to a legal obligation, HSO shall verify the basis of the request and the identity of the applicant and shall, to the extent it is allowed pursuant to law, inform Customer without undue delay prior to provision of the Personal Data..
- 3.8 HSO shall support Customer in meeting its obligation under Chapter III of the UK GDPR in respect of the exercise of the rights of Data Subjects. HSO shall support Customer in meeting its obligations under the Data Protection Law to adequately inform the parties involved in the context of the Personal Data Breach. Any costs associated with this clause shall be borne by Customer.

4. Ongoing Obligations

- 4.1 Any clauses in the Agreement or this Data Processing Agreement that are expressly stated, or by implication intended, to apply after expiry or termination of the same shall continue in full force and effect after such expiry or termination.

5. Return of personal data

- 5.1 Upon expiry of the Agreement and this Data Processing Agreement, all Personal Data, copies and edits thereof, shall, at the discretion of Customer, be returned to Customer (or a third party to be designated by Customer), or destroyed/wiped clean. Customer shall request the return of the Personal Data in writing within a period of 30 days from expiry of the Agreement. If no such request is made within the aforementioned period, Customer hereby instructs HSO to destroy all Personal Data in its possession or under its control (including Personal Data under the control of subcontracted processors) upon expiry of such aforementioned 30 days period.

6. Security

- 6.1 HSO shall implement technical and organisational security measures to ensure, with due regard to the state of the art and the costs involved in implementing and executing the measures, an appropriate level of protection, taking into account the risks associated with processing of personal data, and the nature thereof. A general description of the undertaken technical and organisational security measures is set out in Appendix 2.
- 6.2 HSO shall report once a year, the first time within 3 months after the start of the Agreement, to Customer for the actions taken by HSO with regard to the technical and organisational security measures taken, and possible areas of concern therein.
- 6.3 Customer shall treat the information set out in Appendix 2 as strictly confidential and not disclose it to third parties.

7. Audit

- 7.1 HSO shall have an audit conducted by an independently certified auditor once a year. This audit provides an assessment of the compliance with the technical and organisational security measures. Upon request, HSO shall provide copies of these documents to Customer.
- 7.2 HSO shall at the request of Customer submit its data-processing facilities on an agreed upon day and time for audit of the processing activities covered by this Data Processing Agreement which shall be carried out by Customer or an inspection body composed of independent members and in possession of the required professional qualifications to audit compliance with the UK GDPR and bound by a duty of confidentiality.
- 7.3 The audit, including the documentation and other data involved in such audit, and the outcome of the audit shall be treated with strict confidentiality by Customer and by the inspection body as referred to under clause 7.2, unless and to the extent any applicable statutory provision and/or request of a competent authority should compel them to disclose any of their findings.

- 7.4 Customer shall ensure that the audit is carried out under the conditions that both the protection of Personal Data of third parties and the confidentiality of the data of third parties that are confidential in their nature or as specified are guaranteed.
- 7.5 Customer shall make available for HSO, as soon as possible, a complete and unmodified copy of the audit's relevant outcome in a structured, commonly used and (machine-) readable format.
- 7.6 HSO shall bear its own and Customer's costs of such an audit in the event that and in so far as HSO breaches this Data Processing Agreement. If there is no such breach, the Customer shall bear all costs for the audit, including the time spent by HSO.

8. Data Breach

- 8.1 HSO shall without undue delay after having become aware, notify the Data Controller, as set out in this clause, about (i) any legally binding request for disclosure of Personal Data by a law enforcement authority unless otherwise prohibited, such as a prohibition under criminal law to preserve the confidentiality of a law enforcement investigation, and (ii) a Personal Data Breach.
- 8.2 The notification of an event as set out in clause 8.1(ii), shall be in writing and at least specify, to the extent known or foreseeable to HSO:
 - a) the time, date and location of such event;
 - b) a detailed account of such event, including a characterisation of affected and potentially affected Personal Data;
 - c) the likely consequences of such event, including the consequences for the Data Subject;
 - d) the expected recovery time;
 - e) measures taken or to be taken to end the Personal Data Breach; and
 - f) measures taken or to be taken to mitigate the consequences of the Personal Data Breach.
- 8.3 HSO shall support Customer and keep Customer informed, in all reasonableness and fairness, taking into consideration the nature of the processing, the information that has been made available and new developments in respect of the Personal Data Breach.
- 8.4 In the case of a Personal Data Breach, the UK Data Protection Authority (Information Commissioners Office) will often, before imposing a fine, impose an instruction to the Data Controller. Insofar as this instruction relates to action of the HSO or its failure to act, Customer shall immediately inform HSO of such an instruction so that HSO can take the necessary fine-limiting or fine-avoiding measures.

9. Use of Sub Processors

- 9.1 HSO shall be entitled to subcontract any of its activities that exist or partially exist in relation to the processing of Personal Data, or that require Personal Data to be processed, to subcontracted Processors that are established in the European Economic Area as well subcontracted processors established in a country which are declared adequate as set out in Article 45 of the UK GDPR or if an alternative transfer solution in accordance with Article 46 of the UK GDPR is in place. HSO shall not be entitled to subcontract any of its activities that exist or partially exist of Processing Personal Data, or that require Personal Data to be processed to any third parties that are established in a country other than as aforementioned without Customer's prior consent in writing. HSO shall inform Customer about any changes (replacements or additions) to the Sub Processors. Customer shall be entitled to object – on reasonable grounds – in writing to such changes within 30 days of being informed thereof. In which event Parties shall in good faith discuss how to address such objection.

10. Final provisions

- 10.1 Deviations from this Data Processing Agreement are only binding insofar as they have been expressly agreed in writing between the Parties in writing.
- 10.2 This Data Processing Agreement shall be governed by, and construed in accordance with, the laws of England and Wales.
- 10.3 All disputes arising from the performance of this Data Processing Agreement shall be submitted to the competent judge or arbitrator as agreed upon in the Agreement.

Appendix 1: Scope of Personal Data

Type Personal Data - EXAMPLES					
Regular Personal Data	1. Name. 2. Address. 3. Email address. 4. Phone number. 5. IP address. 6. Birth date. 7. Medical details. 8. Financial information. 9. Online identifiers. 10. Gender. 11. Marital status.				
	Applicability	Type of Data Subject involved	Processing	Processing Purpose	Duration of Processing
	Yes (all)	Persons registered in applications owned by Customer.	Review and Test Application Processes	Application Incident Management, Application Consultancy & Development	Contract Duration
Sensitive Personal Data	1. Racial or ethnic origin. 2. Political opinions. 3. Religious or philosophical beliefs. 4. Trade union membership. 5. Health data. 6. Genetic data. 7. Biometric data. 8. Sexual orientation.				
	Applicability	Type of Data Subject involved	Processing	Processing Purpose	Duration of Processing
	Yes (all)	Persons and Organisations registered in applications owned by Customer.	Review and Test Application Processes	Application Incident Management, Application Consultancy & Development	Contract Duration
All Personal Data transferred to HSO is stored in the Cloud by Microsoft and/or on encrypted local drives.					

Appendix 2: Technical and Organisational Security Measures

Technical Security Measures
1) Controlled role-based data access authorisation procedure; 2) Location access control system; 3) Secured vault to store Customer credentials; 4) Disc encryption (Bitlocker) to secure data on local drives; 5) Controlled locations for Document Storage: - HSO OneDrive for Business; - HSO CRM; - HSO Tnext (Support) - HSO SharePoint; 6) Secured file transfer between Customer and HSO, using Filecap; 7) Destruction of printed data facilitated by available P4 paper shredders.
Organisational Security Measures
1) Implemented visitor registration procedure; 2) Structural security awareness sessions for HSO employees by periodic newsletters and narrowcasting; 3) Implemented clean and clear desk policy to avoid Customer data in paper or digital form being left on a desk; 4) Implemented ISO27001-certified Information Security Management System, that includes Sub-Processors; 5) Implemented Information Security Incident management process; 6) HSO employees and Sub-Processors require to sign the HSO Integrity and Confidentiality statement; 7) Quarterly internal Information Security audits, including Sub-Processors; 8) Yearly Information Security risk assessment; 9) Yearly ISO27001 certification audit.

Annex 1

Initial Statement of Work, CSP Schedule, Software Schedule and Support Services Schedule

This Agreement has been signed by:

The Customer: Customer legal name	The Company: HSO Enterprise Solutions Ltd
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:
	The Company: HSO Enterprise Solutions Ltd
	Signature:
	Name:
	Title:
	Date:

- End of document -