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1. DURATION

- 1.1 This Contract will commence on the date BT accepts the Customer's application for BT Business Reward and will continue until ended by the Customer or BT in accordance with these Conditions.
- 1.2 For Rollover Contracts, immediately upon expiry of a Contract Period or Subsequent Contract Period, unless the Customer ends this Contract in accordance with clause 8.2 below:
 - (a) a Subsequent Contract Period will automatically commence; and
 - (b) the Committed Spend, and BT Business Reward Credit will apply to the Subsequent Contract Period.
- 1.3 For Non Rollover Contracts, immediately upon expiry of the Contract Period unless the Contract is terminated in accordance with paragraph 8.1, the Contract will continue but the following will no longer apply to the Contract:
 - (a) A Subsequent Contract Period;
 - (b) The Committed Spend and BT Business Reward Credit

2. STANDARD CONTRACTS

All Standard Contracts will continue subject to their own terms and conditions (including the charges and the billing terms) except as otherwise stated in this Contract.

3. CHARGES AND BILLING

General

- 3.1 BT will apply the BT Business Reward Charges to the Inventory as soon as reasonably practicable after the Start Date. The BT Business Reward Charges will supersede the equivalent charges and terms under the Standard Contract until this Contract ends.
- 3.2 BT will send bills to the address requested by the Customer.
- 3.3 Unless otherwise stated in the BT Price List, all charges are exclusive of VAT which is chargeable at the applicable rate.

- 3.4 BT may at any time require the Customer to pay a deposit or provide a guarantee as security for payment of future bills.
- 3.5 The Customer agrees to pay all charges upon receipt of BT's bill, or in accordance with the Standard Contract. The Customer agrees that BT may submit bills for some of the charges in advance if specified in the BT Price List.
- 3.6 Unless otherwise advised by BT, the Customer will pay all charges by direct debit or monthly payment plan.
- 3.7 Unless otherwise advised by BT, payments made other than by direct debit or monthly payment plan will be collected by BT Payment Services Limited, a wholly owned subsidiary of BT. BT Payment Services Limited will levy a payment processing fee, as set out in the Price List. This fee will be deducted from any money received before any payment is allocated against the charges for the Service.

Disputed Bills

3.8 If the Customer disputes any charge on a bill the Customer must notify BT in writing within 6 months of the date of the bill, with all relevant information supporting the Customer's claim. Any disputes will be resolved promptly and the resolved outstanding amount, if any, will immediately be payable by the Customer.

Late Payment

- 3.9 If BT does not receive payment by the due date, BT may charge the Customer:
 - (a) daily interest on late payments at a per annum rate equal to 7% above the base lending rate of the European Central Bank for the period beginning on the date on which payment is due and ending on the date on which payment is made; and/or
 - (b) any late payment charge specified in Section 15, Part 12 of the BT Price List.
- 3.10 If the Customer does not pay a bill, BT may instruct a debt collection agency to collect payment (including any interest and/or late payment charges) on its behalf. If BT instructs an agency, the Customer must pay BT an additional sum. This will not exceed the reasonable

costs BT has to pay to the agency, who will add the sum to the Customer's outstanding debt on BT's behalf. This paragraph applies even if this Contract has ended.

3.11 If the Customer fails to pay any sums due to BT under any Contract with BT, BT may use the BT Business Reward Credit to settle all or part of the outstanding amount. This provision does not apply to any sum in respect of which there is a dispute.

4. INVENTORY

- 4.1 The Customer is responsible for ensuring the accuracy of the Inventory.
- 4.2 Subject to paragraphs 4.3 and 4.4 below, the Customer may during the Contract Period and any subsequent Contract Period request changes to the Inventory. BT will amend its record of the Inventory to reflect each agreed change.

Additions to the Inventory

4.3 During the Contract Period and any subsequent Contract Period no additions may be made to the Inventory

Withdrawals from the Inventory

- 4.4 Where the Customer withdraws a line or service from the Inventory, the spend on those lines or services will no longer be included within the Contributory Spend from the date of withdrawal. Where the withdrawal is due to the ending of a line or service, the line or service must be terminated in accordance with the provisions of the Standard Contract and the termination charges applicable to the Standard Contract will apply in addition to any reconciliation charges that may be due under this Contract.
- 4.5 Unless otherwise stated in the BT Price List, where the withdrawal from the Inventory of a service under a Standard Contract means that the Customer is no longer eligible for the Service as detailed in the BT Price List this Contract will end and BT will apply the reconciliation charges detailed in the BT Price List as appropriate.

5. SUBSIDIARIES

Where requested by the Customer and agreed by BT, the lines, telephone numbers and account numbers of a

Subsidiary may be included within the Inventory. Prior to making any such request the Customer will obtain the necessary written authority to vary the Subsidiary's Standard Contract and for BT to disclose billing information to the Customer. The Customer agrees to provide BT with a copy of this authority if requested to do so.

6. BT BUSINESS REWARD CREDIT

On the Spend Measurement Date, BT will measure the Contributory Spend against the Committed Spend and subject to paragraph 3.11, BT will apply the BT Business Reward Credit as set out in the BT Price List.

7. CHANGING THIS CONTRACT

- 7.1 BT can change this Contract (including the charges) at any time.
- 7.2 BT will notify the Customer of any changes to the Contract by giving prior notice to the Customer published online at <u>www.bt.com/pricing</u> (or any other online address that BT may advise the Customer) as follows:
 - (a) for changes that are to the Customer's significant detriment, at least one month before the change is to take effect; and
 - (b) for all other changes, at least one day before the change is to take effect.
- 7.3 The Customer is responsible for notifying all the Subsidiaries of any changes to this Contract.
- 7.4 The Customer must inform BT immediately if there is a change to any of the information provided by the Customer to BT under this Contract.

8. ENDING THIS CONTRACT

Ending this Contract for convenience

- 8.1 This Contract can be ended by either party on 30 days notice to the other.
- 8.2 For Rollover Contracts, the Customer may end this Contract on seven days written notice at any time between the sixth day before the end of a Contract Period and the 28th day after the end of a Contract Period without becoming committed to a further Contract Period or

Subsequent Contract Period as set out in paragraph 1.2 above.

Ending this Contract for breach

- 8.3 The Customer may end this Contract if:
 - (a) BT materially breaches this Contract and, if the breach is capable of remedy, fails to put right the breach within a reasonable time of being asked by the Customer to do so; or
 - (b) insolvency proceedings are brought against BT or BT makes an arrangement with its creditors or a receiver, an administrative receiver or an administrator is appointed over any of BT's assets or BT goes liquidation into or а corresponding event under Scottish Law.
- 8.4 BT may suspend the application of the BT Business Reward Credit and/or BT Business Reward Charges, or end this Contract, or both, at any time without notice if:
 - (a) the Customer breaches this Contract or any other Contract that the Customer has with BT and, if the breach is capable of remedy, fails to put right the breach within a reasonable time of being asked by BT to do so; or
 - (b) bankruptcy insolvency or proceedings are brought against the Customer or the Customer does not make any payment under a judgement of a Court on time or the Customer makes an arrangement with its creditors or a receiver, an administrative receiver or an administrator is appointed over any of the Customer's assets or the Customer goes into liquidation or a corresponding event under Scottish Law.

The Customer will continue to pay the charges during any period of suspension.

Effects of ending this Contract

8.5 When this Contract ends, the terms and conditions of this Contract will cease to

apply to the lines and services within the Inventory and will be superseded by the Standard Contracts.

- 8.6 The ending of this Contract by the Customer will also constitute termination of this Contract by the Customer on behalf of all relevant Subsidiaries.
- 8.7 Where the Customer ends this Contract prior to the Spend Measurement Date, the BT Business Reward Credit will not apply.

9. GENERAL TERMS

Limitation of Liability

- 9.1 Neither the Customer nor BT excludes or restricts its liability for death or personal injury caused by its own negligence or the negligence of its employees or agents acting in the course of their employment or agency or for fraudulent misrepresentation or to any extent not permitted by law.
- 9.2 Unless otherwise expressly stated in this Contract neither the Customer nor BT shall be liable to the other in contract, tort (including negligence), breach of statutory duty or otherwise for any direct loss of profit, revenue, time, anticipated savings or profit or revenue, opportunity, data, business, wasted expenditure, use. business interruption or for any other similar direct loss which may arise in relation to this Contract whether or not the Customer or BT was advised in advance of the possibility of such loss or damage.
- 9.3 Unless otherwise expressly stated in this Contract neither the Customer nor BT shall be liable to the other in contract, tort (including negligence), breach of statutory duty or otherwise for any indirect or consequential loss of profit, revenue, time, anticipated savings or profit or revenue, opportunity, data, use, business, wasted expenditure, loss of or damage to physical property, business interruption or for any other indirect or consequential loss or punitive damages which may arise in relation to this Contract whether or not the Customer or BT was advised in advance of the possibility of such loss or damage.
- 9.4 Subject to paragraphs 9.2 and 9.3, the Customer and BT accept liability to the other in contract, tort (including negligence) breach of statutory duty or otherwise for direct loss limited to

£250,000 for loss or damage arising from any one incident or series of connected incidents and £500,000 for all incidents in any period of 12 consecutive months.

9.5 Paragraphs 9.1 to 9.4 will not apply to any obligation to pay charges. For the avoidance of doubt, paragraphs 9.1 to 9.5 will only apply to this Contract and not to the Standard Contract.

Escalation and Dispute Resolution

- 9.6 (a) Any dispute must be raised in writing with the Customer's or BT's representative as appropriate. The Customer and BT will use reasonable endeavours to resolve any dispute as follows:
 - a dispute which has not been resolved by the Customer's or BT's representative may be referred by the Customer or BT to the first level by written notice to the other; and
 - (ii) if the dispute is not resolved at the first level the Customer or BT may refer the dispute to the second level by written notice to the other.

The Customer's and BT's representatives at the first and second levels are as notified by the Customer and BT to the other from time to time.

- (b) If the dispute is not resolved after the procedures detailed in paragraph 9.6(a) have been followed then, if the Customer and BT agree, the dispute will be settled by mediation in accordance with the procedures specified by the Centre for Dispute Resolution (CEDR). If the dispute is referred to a mediator:
 - the mediator will be appointed by agreement of the Customer and BT. If the Customer and BT fail to agree within seven days of a proposal by one party, the mediator will be appointed by CEDR; and

- (ii) all negotiations on the dispute and any agreement reached will be kept confidential.
- (c) Nothing in this paragraph 9.6 prevents the Customer or BT from exercising any rights and remedies that may be available in respect of any breach of the provisions of this Contract.

Transfer of Rights and Obligations

- 9.7 The Customer and BT may not transfer any of their rights or obligations under this Contract without the written consent of the other, except that:
 - the Customer may transfer its rights or obligations or both to a Group Company with the written consent of BT, such consent not to be unreasonably withheld or delayed; and
 - (b) BT may transfer its rights or obligations or both to a Group Company without consent provided that it notifies the Customer that it has done so.

Severability

9.8 If any term of this Contract is held invalid, illegal or unenforceable by any court of competent jurisdiction, it will be severed and the remaining terms will continue in full force as if this Contract had been made without the invalid, illegal or unenforceable terms.

Entire Agreement

- 9.9 (a) This Contract contains the entire agreement between the Customer and BT and replaces all previous written or oral agreements relating to its content.
 - (b) The Customer and BT agree that:
 - they have not been induced to enter into this Contract by, nor have they relied on, any statement, representation, warranty
 - or other assurance not

expressly incorporated; and

- (ii) in connection with this Contract their only rights and remedies in relation to any statement, representation, warranty or other assurance are for breach of this Contract and that all other rights and remedies are excluded.
- (c) The terms of paragraphs 10.9(a) and 10.9(b) will not affect the rights or remedies of the Customer and BT for any fraudulent misrepresentation.

Waiver

9.10 A failure or delay by the Customer or BT to exercise any right or act upon a breach under this Contract will not be a waiver of that right or breach. If the Customer or BT waives a right or breach of this Contract, that waiver is limited to the particular right or breach.

Rights of Third Parties

9.11 A person who is not a party to this Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Contract but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

Notices

- 9.12 Notices given under this Contract must be in writing and delivered to the following addresses:
 - (a) to BT at the address shown on the bill or any address which BT provides to the Customer for this purpose; or
 - (b) to the Customer at the address to which the Customer asks BT to send bills, the address of the Site or, if the Customer is a limited company, its registered office.

This paragraph does not apply to notices given under paragraphs 1.1, 7.1 and 7.2.

Law and Jurisdiction

9.13 This Contract is governed by the law of England and Wales and is subject to the non-exclusive jurisdiction of the English courts.

Data Protection

9.14 The Customer and BT will comply with their respective obligations under the Data Protection Act 1998 and any data protection, privacy or similar laws that apply to any personal data processed in connection with this Contract. The Customer and BT will provide such help and co-operation as is reasonably necessary or requested by the other to enable compliance with this paragraph.

Customer's Instructions

9.15 BT may take instructions from a person whom it thinks, with good reason, is acting with the Customer's permission.

10. DEFINITIONS

BT	British Telecommunications plc of 81 Newgate Street, London, EC1A 7AJ, registered in England No. 1800000.
BT Price List	the document containing a list of BT's charges and terms that apply to BT Business Reward and which can be seen at: <u>http://www.bt.com/pricing</u> (or any other on-line address that BT may advise the Customer).
BT Business Reward Credit	the credit payable to the Customer in accordance with the rules set out in the BT Price List.
BT Business Reward Charges	The charges and terms set out in the BT Price List applicable to BT Business Reward.
Committed Spend	the level of annual spend inclusive of discounts but excluding VAT to which the Customer commits, stated on the Order Form and which applies to the Contract Period and any Subsequent Contract Period.
Contract	this agreement for the provision of BT Business Reward between BT and the

	Customer comprising in order of precedence:
	these Conditions; the BT Price List; the Application Form (where applicable); and the Inventory.
Contract Period	a period of 12 or 24 months or any other period stated in the Order Form or BT Price List commencing on the Start Date.
Contributory Spend	spend that contributes to achieving the Committed Spend and which is eligible for the BT Business Reward Credit.
Customer	the person with whom BT contracts to provide BT Business Reward.
Group Company	a subsidiary or holding company including a holding company, or a subsidiary of any such holding company, all as defined by Part 38, Section 1159 of the Companies Act 2006.
Inventory	the lines, telephone numbers and account numbers relating to the services that contribute to the Contributory Spend that BT and the Customer have agreed will be covered by BT Business Reward.
Non Rollover Contract	a Contract to which will rollover to a Subsequent Contract Period will not apply, details of which are set out in the BT Price List.
Rollover Contract	a Contract to which will rollover to a Subsequent Contract Period will not apply, details of which are set out in the BT Price List.
Spend Measurement Date	an anniversary of the Start Date, the date upon which the Contract Period expires, or where appropriate, the date on which this Contract is ended. In addition for Rollover Contracts the Spend Measurement Date is the anniversary of the date upon which the rollover to a Subsequent Contract Period occurred and the date upon

	which a Subsequent Contract Period expires.
Standard Contract	a contract between the Customer and BT for the provision of services which are included as Contributory Spend in this Contract.
Start Date	the date upon which the Customer agrees the Inventory or the date that BT accepts the Customer's order whichever is the later.
Subsequent Contract Period	a period of the same number of months as the Contract Period, starting on the day after expiry of the Contract Period or a Subsequent Contract Period.
Subsidiary	a company that is a subsidiary of the Customer as defined by Part 38, Section 1159 of the Companies Act 2006.