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CONDITIONS

1. DESCRIPTION OF THE SERVICE

1.1 The Service enables the Customer to evaluate Devices. The Devices are provided by BT and remain BT’s property. The Customer must return the Device to BT or its Supplier upon BT or the Supplier’s request and any failure to return the Device will be treated in accordance with clause 5.4.

2. PROVISION OF THE DEVICES

2.1 Orders placed for the Service are business to business transactions to which the Consumer Protection (Distance Selling) Regulations 2000 as amended by the Consumer Protection (Distance Selling) (Amendment) Regulations 2005 do not apply

2.2 The Customer’s order is accepted when BT ships the Device.

2.3 This Contract does not include the provision of SIM Cards or the provision of the mobile service.

Delivery

2.4 BT will try to supply by any date agreed with the Customer, but all dates are estimates.

2.5 BT may at its option make partial shipments for the delivery of the Devices.

2.6 If the Customer delays or prevents the delivery of the Device, BT may apply reasonable additional charges and/or claim a reasonable extension to any date agreed under clause 2.4. BT will notify the Customer in writing of any additional charges, which the Customer will pay directly to BT.

3. ACCEPTANCE

3.1 Acceptance of the Device by the Customer will take place when the Customer takes delivery of the Device.

4. CUSTOMER’S OBLIGATIONS

4.1 The Customer acknowledges that the Device is provided for the purposes of evaluation and will remain the property of BT. The Customer will:

(a) keep the Device safe and only use it in accordance with any instructions BT may give;

(b) only use or allow the Device to be used for any purpose for which it is designed;

(c) not sell, charge, assign, transfer or dispose of or part with possession of the Device or any part of it;

(d) not allow any lien, encumbrance or security interest over the Device, nor pledge the credit of BT for the repair of the Device or otherwise;

(e) not claim to be owner of the Device;

(f) indemnify BT against all claims and proceedings arising from the Customer’s use of the Device or if the Device is stolen or damaged as a result of the Customer’s negligence or gross misconduct. The Customer will keep BT informed of anything which may affect the rights of BT, or involve BT in any proceedings, loss or liability.

4.2 In consideration of BT providing Devices under the Contract, the Customer agrees to complete any questionnaires, reviews or other documents requested by BT or its Supplier.

5. RISK, OWNERSHIP AND RETURN OF THE DEVICE

5.1 Where the Contract includes delivery, risk passes to the Customer on delivery of the Device, but the Customer will not be liable for any loss or damage that is caused by BT’s negligence.

5.2 Ownership of the Device, (including the Intellectual Property Rights) will not pass to the Customer at any time.

5.3 Until return of the Device to BT or its Supplier:

(a) the Device will appear in the Customer’s books in the name of BT; and

(b) in the event of bankruptcy or threatened seizure of the Device, the Customer will immediately notify BT and BT may take action to repossess the Device. The Customer will also notify interested third parties of BT’s ownership of the Device.

5.4 The Customer must return the Device to BT or its Supplier upon request, which may be by letter or email. Where the Customer:
(a) fails to return the Device within 5 days; or

(b) upon return of the Device, BT finds that the Device is damaged and this is in BT’s reasonable opinion due to:

(i) accidental or wilful damage;

(ii) interference with or maintenance of the Device by persons other than BT; or

(iii) a failure by the Customer to keep the Device in accordance with clause 4,

BT will apply a charge for the Device as detailed in the BT Evaluation Mobile Device Price List in the BT Price List.

5.5 Any charges incurred for the return of the Device are the responsibility of the Customer and the Device must be returned by recorded delivery that includes compensation insurance to the value set out in the BT Price List.

6. FAULTS

6.1 BT will replace a faulty Device provided that:

(a) the Device has been properly kept, used and maintained in accordance with the manufacturer’s or BT’s instructions, if any, and has not been modified except with BT’s or manufacturer’s written consent; and

(b) any fault is not due to accidental or wilful damage; interference with or maintenance of the Device by persons other than BT or the Device manufacturer.

6.2 Where BT opts to replace the faulty Device, BT may provide a Refurbished Device.

6.3 Unless agreed otherwise by BT in writing, where Equipment is installed by the Customer, the Customer will normally be required to return faulty Device to BT (where necessary, by arrangement with the Customer).

6.4 If the Customer reports a fault and BT finds there is none or that the Customer has caused the fault, BT may apply a charge.

6.5 Except where the Customer relies on BT’s written advice, it is the Customer’s responsibility to satisfy itself as to the suitability of Device for its needs.

6.6 BT does not warrant that the Software supplied under the Contract will be free of all faults or that its use will be uninterrupted, but BT will remedy those defects which significantly impair performance (where necessary by arrangement with the Customer) within a reasonable time.

7. WEEE REGULATIONS

7.1 The Customer is responsible under Regulation 9 of the Waste Electrical and Electronic Equipment Regulations 2006 (“the WEEE Regulations”) for the costs of collection, treatment, recovery, recycling and environmentally sound disposal of any equipment supplied under the Contract that has become waste electrical and electronic equipment (“WEEE”). BT and the Customer acknowledge that for the purposes of Regulation 9 this clause is an agreement stipulating other financing arrangements for the collection, treatment, recovery, recycling and environmentally sound disposal of WEEE. The Customer is responsible for any information recording or reporting obligations imposed by the WEEE Regulations. The Customer will indemnify BT against any claims or legal proceedings that are brought or threatened against BT by a third party which would not have been caused or made had the Customer fulfilled its express or implied obligations under this clause or in connection with the WEEE Regulations. BT will notify the Customer of any such claims or proceedings and keep the Customer informed as to the progress of such claims or proceedings.

8. CHARGES AND PAYMENT

8.1 BT will send bills for any charges to the address notified by the Customer to BT.

8.2 Unless otherwise stated, charges:

(a) are exclusive of VAT which is chargeable at the applicable rate;

(b) are exclusive of installation or configuration.

8.3 If payment of any charge becomes subject to withholding tax, levy or similar payment obligation imposed by a foreign tax authority on sums due to BT under the Contract such withholding tax amounts will be borne and paid for by the Customer in addition to the
sums due to BT. The Customer will provide BT without charge the appropriate certificate(s) from the relevant authorities confirming the amount of withholding taxes, levies or similar payments borne and paid for by the Customer.

8.4 As part of its credit management procedures BT may at any time:

(a) require the Customer to pay a deposit; and/or

(b) carry out a credit vet of the Customer. The Customer agrees to provide BT with any information that BT may reasonably require for this.

8.5 Payment is due on the date specified on the bill.

Disputed Bills

8.6 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. Where the disputed amount is:

(a) less than 5% of the total bill, the Customer will pay the full amount of the bill; or

(b) more than 5% of the total bill, the Customer must pay the amount not in dispute.

Any disputes will be resolved promptly and the resolved amount if any is payable immediately.

Late Payment

8.7 If BT does not receive payment by the due date, BT may charge the Customer daily interest on late payments at a per annum rate equal to 7% above the base lending rate of the European Central Bank, compounded daily, for the period beginning on the date on which payment is due and ending on the date on which payment is made.

8.8 If the Customer does not pay a bill, BT may instruct a debt collection agency to collect payment (including any interest) 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.

8.9 If any sum owed by the Customer to BT under the Contract or any other contract the Customer has with BT is not paid by the due date, BT may deduct this sum from any payment or credit due to the Customer under the Contract or any other contract with BT.

Fraud Prevention

8.10 BT may check the Customer’s details with a fraud prevention agency. If the Customer provides information that BT reasonably believes to be false or incorrect and BT suspects fraud, BT may record this information with a fraud prevention agency. BT and other organisations may use and search this information.

9. CHANGING THE CONTRACT

9.1 BT can change the Contract (including the charges at any time and will publish any change in line with clause 9.2.

9.2 BT may notify the Customer of changes to the Contract (including the charges) as follows:

(a) by publishing on line at http://www.bt.com or any other online address that BT may advise to the Customer); or

(b) by letter to the address to which BT sends bills or to the Customer’s primary email address.

9.3 BT will provide the following notice of these changes

(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.

10. ENDING THE CONTRACT

10.1 BT may end the Contract at any time:

(a) before BT delivers the Device on 7 days written notice to the Customer;

(b) with immediate effect if the Customer:

(i) breaches the Contract 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. In this clause breach includes non-payment of any
valid invoice by the due date; or

(ii) ceases to do business; or has bankruptcy or insolvency proceedings brought against it; or makes an arrangement with its creditors (other than where solely for solvent amalgamation or solvent reconstruction); or a receiver, administrative receiver or administrator is appointed over any of its assets; or it goes into liquidation; or a notice is given, a petition is issued, a resolution is passed or any other step is taken to commence any of the foregoing procedures; or there is a corresponding event under Scottish law.

10.2 The Customer may:

(a) cancel an order prior to delivery and if it does so agrees to pay BT a cancellation charge which may include BT’s charges for order processing, management and delivery costs already incurred. BT will try to keep such charges to a minimum.

(b) end the Contract if:

(i) BT materially breaches the 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

(ii) BT ceases to do business; or has bankruptcy or insolvency proceedings brought against it; or makes an arrangement with its creditors (other than where solely for solvent amalgamation or solvent reconstruction); or a receiver, administrative receiver or administrator is appointed over any of its assets; or it goes into liquidation; or a notice is given, a petition is issued, a resolution is passed or any other step is taken to commence any of the foregoing procedures; or there is a corresponding event under Scottish Law.

11. LIMITATION OF LIABILITY

11.1 Neither the Customer or BT excludes or restricts in any way its liability under or in connection with the Contract for death or personal injury caused by its negligence or to any extent not permitted by law.

11.2 Subject to clauses 11.1 and 11.3, the Customer and BT’s liability to the other under or in connection with the Contract for all and any direct loss or damage arising from any one incident or series of connected incidents is limited to:

(a) £1,000,000 for loss of or damage to physical property; and

(b) for all other loss or damage, the greater of either:

(i) £25,000; or

(ii) 125% of the amounts payable by the Customer under the Contract up to a maximum of £1,000,000.

11.3 Neither the Customer or BT will be liable to the other (whether in contract, tort, under statute, for misrepresentation or otherwise (including in each case negligence) and whether or not the party concerned was advised in advance of the possibility of such loss or damage, for:

(a) any of the following types of loss or damage whether direct, indirect or consequential howsoever arising under or in connection with the Contract or any part of it: loss of profit, loss of revenue, loss of anticipated savings, loss of opportunity, loss of business, wasted expenditure, loss from business interruption, loss of or destruction of data, loss of contracts, loss from expenditure of time by managers and employees, liability to third parties, pecuniary losses arising from goodwill, or loss of or damage to goodwill; or

(b) any indirect or consequential loss or damage whatsoever.

11.4 Nothing in this clause 11 or in the Contract excludes or limits the Customer’s liability to pay (without set off) the charges.
11.5 The limitations of liability referred to in clauses 11.2 and 11.3 will not apply in respect of claims brought under clauses 4.1(f), 12.5 or 12.6.

11.6 Each part of this clause 11 operates separately. If any part of the clause is held by a Court to be unreasonable or inapplicable the rest of the clause will continue to apply.

12. INTELLECTUAL PROPERTY AND CONFIDENTIALITY

Intellectual Property

12.1 All Intellectual Property Rights whether pre-existing or created by the Customer or BT during or arising from the performance of the Contract will remain the absolute property of that party or its licensors.

12.2 If Software is provided to enable the Customer to use the Device, BT grants the Customer a non-exclusive and non-transferable licence to use the Software in object code form solely as necessary for its own use of the Device and solely in accordance with the Contract and the applicable documentation.

12.3 If the Customer is supplied with Software licensed by third parties who require the Customer to accept their terms of use, the Customer must keep to those terms.

12.4 Except as permitted by applicable law or as expressly permitted under the Contract the Customer agrees not to copy, decompile or modify any Software, or knowingly permit anyone else to do so.

12.5 BT will indemnify the Customer against all claims and proceedings arising from infringement of any third party’s Intellectual Property Rights by BT’s provision of the Equipment to the Customer. This indemnity will not apply to claims or proceedings arising from:

(a) use of the Device or Software in conjunction or combination with other equipment or software or any other service not supplied by BT; or

(b) any unauthorised modification of the Device or Software; or

(c) content, designs, specifications or software supplied by or on behalf of the Customer; or

(d) use of the Device or Software other than in accordance with the Contract; or

(e) breach by the Customer of clause 12.3.

In relation to any claim or allegation of infringement the Customer will promptly notify BT in writing and must not make any admission without BT’s prior written consent. The Customer will allow BT sole conduct of all negotiations and proceedings and give BT all reasonable assistance in doing so. BT will pay the Customer’s reasonable expenses for such assistance.

12.6 If the Device becomes, or BT believes it is likely to become, the subject of a claim of infringement of any Intellectual Property Rights BT, at its option and expense, may:

(a) secure for the Customer a right of continued use: or

(b) modify or replace the Device so that it is no longer infringing, provided that modification or replacement must not materially affect the performance of the Device.

If the indemnity in clause 12.5 applies and none of the remedies in this clause is available to BT on reasonable terms, BT may notify the Customer and collect the Device and refund the Customer the sums paid to BT for the Device.

12.7 The indemnity in clause 12.5 sets out the Customer’s sole and exclusive remedy for infringement of Intellectual Property Rights.

12.8 Except as may be agreed in writing by BT, nothing in this Contract confers any rights on the Customer, its agents, employees or contractors to use either the manufacturer’s or BT’s logos, trademarks or other intellectual property associated with such parties.

Confidentiality

12.9 Subject to clause 12.10, BT and the Customer will keep in confidence all Confidential Information obtained under or in connection with the Contract and will not disclose it to any party other than in confidence to:

(a) their employees or employees of their Group Companies; or
(b) their professional advisers; or

(c) in the case of BT, employees of their subcontractors or suppliers who have a need to know such Confidential Information and to the extent necessary for performance of the Contract or use of the Equipment.

12.10 Clause 12.9 will not apply to information which is:

(a) in the public domain other than through a breach of the Contract; or

(b) in the possession of the Customer or BT without confidentiality restriction before disclosure under the Contract; or

(c) developed by the receiving party independently of and without access to Confidential Information obtained under the Contract.

12.11 If either BT or the Customer receives a demand from a lawful authority, regulatory authority or court to disclose any Confidential Information provided to it by the other, it may comply with such demand if it has:

(a) satisfied itself that the demand is lawful;

(b) given the other party the maximum written notice permissible under the demand in which to make representations; and

(c) marked the required information as the Confidential Information of the other party.

12.12 The Customer and BT acknowledge that breach of clauses 12.9 to 12.11 may cause irreparable harm for which damages may not be an adequate remedy and that injunctive relief may be available for such breach.

12.13 Information BT holds about the Customer may be used for fraud prevention and credit vetting purposes and this may include BT sharing such information with third party companies including other communication companies.

12.14 Where the Freedom of Information Act 2000 applies to the Customer and the Customer receives a request under the Act that includes any information held by the Customer that was provided by BT in connection with the Contract the Customer will:

(a) notify BT immediately of the request: and

(b) give BT at least five Working Days to make representations.

13. GENERAL TERMS

Matters Beyond Reasonable Control

13.1 (a) If the Customer or BT is prevented, hindered or delayed from performing any obligation under the Contract because of something beyond its reasonable control including: act of God, natural disaster, lightning, flood, subsidence, earthquake, weather conditions, epidemic, pandemic, fire, explosion, war, civil disorder, acts of terrorism, something beyond the reasonable control of its suppliers, industrial disputes, acts or omissions of local or central government or other competent authorities, or acts or omissions of parties for whom the Customer or BT is not responsible, change of law or any other cause whether similar or dissimilar that is outside its reasonable control, then it will have no liability to the other for any resulting failure, delay, defect or omission in performing the Contract.

(b) BT will not be liable for failure to or delay in supplying the Device if legal or regulatory restrictions are imposed that prevent BT from supplying the Device.

(c) If any of the events detailed in clauses 13.1(a) or 13.1(b) materially affects the performance of the Contract and continues for more than three months then the Customer or BT may terminate the Contract in whole or part by written notice to the other.

Escalation and Dispute Resolution

13.2 (a) BT will try to work through any dispute that the Customer may have with BT. If this does not resolve the matter then the Customer may refer it:

(i) where appropriate, in accordance with the details
set out in BT’s Customer Complaints Code located at www.bt.com/complaintscode, copies of which are available on request; and

(ii) otherwise, as set out in clause 13.2 (b).

(b) Any dispute must be raised in writing with the Customer’s or BT’s representative as appropriate giving all relevant details including the nature and extent of the dispute. The Customer and BT will use reasonable endeavours to resolve any dispute as follows:

(i) a dispute which has not been resolved by the Customer’s or BT’s representative within 14 days of being raised 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 within 14 days of referral, 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.

(c) If the dispute is not resolved after the procedures detailed in clause 13.2(b) have been followed then the parties agree to consider resolving the dispute by an Alternative Dispute Resolution (ADR) mechanism, including but not limited to:

(i) early neutral evaluation in accordance with the IDRS (Dispute Resolution Services) Model Early Neutral Evaluation Procedure; or

(ii) expert non-binding determination in accordance with the IDRS Cost-Controlled Expert Determination Procedure; or

(iii) mediation in accordance with the IDRS Cost-Controlled Mediation Procedure.

(d) Any ADR will be conducted in London and in the English language.

(e) Nothing in this clause 13.2 will prevent the Customer or BT from exercising any rights and remedies that may be available in respect of any breach of the provisions of the Contract.

Transfer of Rights and Obligations

13.3 The Customer and BT may not transfer any of their rights or obligations under the Contract without the written consent of the other except that:

(a) 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

13.4 If any term of the 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 the Contract had been made without the invalid, illegal or unenforceable terms.

Survival

13.5 Subject to clause 12.3, clause 12.2 will survive the termination or expiry of the Contract and clauses 12.9 to 12.14 will survive the termination or expiry of the Contract for two years.

Entire Agreement

13.6 (a) The Contract contains the entire agreement between the Customer and BT and supersedes all previous understandings, commitments, representations, agreements, draft agreements, arrangements, undertakings, or prior collateral contracts of any nature made by the Customer and BT, whether written or oral relating to its subject matter.
(b) The Customer and BT each agree that in entering into the Contract they have not relied upon and have no rights or remedies (whether in tort, under statute or otherwise) in respect of any statements, collateral or other warranties, assurances, undertakings or representations (whether innocently or negligently made) of any party (whether party to the Contract or not) in relation to the subject matter of the Contract, except for those contained in the Contract.

(c) Nothing in this clause 13.6 excludes or restricts the liability of either the Customer or BT to the other arising out of pre-contract fraudulent misrepresentation or fraudulent concealment.

Waiver

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

Rights of Third Parties

13.8 The Contract does not create any right enforceable by any party who is not the Customer or BT (a “Third Party”) under the Contract (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a Third Party which exists or is available apart from that Act.

Notices

13.9 Notices given under the Contract must be in writing and delivered by hand, email or first class post to the following addresses:

(a) to BT at the address shown on the bill or any address (including email address) which BT provides to the Customer for this purpose; or

(b) to the Customer at any one or more of the following: the address to which the Customer asks BT to send bills or the Customer’s primary email address or if the Customer is a limited company, its registered office.

This clause does not apply to notices given under clause 8.3.

13.10 A notice will be duly served:

(a) if delivered by hand, at the time of delivery;

(b) if sent by first-class post, three (3) working days after the posting; and

(c) if sent by e-mail, at the time of successful transmission.

13.11 The Customer must inform BT immediately if there is any change to any of the contact information the Customer has provided to BT.

Law and Jurisdiction

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

Data Protection

13.13 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 the 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 clause.

Customer’s Instructions

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

14. DEFINITIONS

14.1 In the Contract the following terms have the meanings shown next to them:

| BT | British Telecommunications plc of 81 Newgate Street, London EC1A 7AJ, registered in England No. 1800000 |
| BT Evaluation Device Price List | a list of the charges for Devices which can be found in Section 10 of the BT Price List |
| BT Price List | the document containing a list of BT’s charges and terms that apply to the Service and which can be seen at |
http://www.bt.com/pricing (or any other on-line address(es) that BT may advise the Customer)

**Conditions**
these Conditions for the provision of Devices for Customer evaluation

**Confidential Information**
any information (including know-how, trade secrets, software or data) of a confidential nature which is obtained under the Contract whether such information is in written, oral or any other form and whether or not marked as confidential.

**Contract**
this agreement between BT and the Customer comprising the following documents in order of precedence:
the BT Price List;
the Conditions;
and any other documents expressly incorporated by any of these documents or by agreement between the Customer and BT

**Customer**
the party with whom BT contracts to provide the Device

**Devices**
each item of equipment, including any Software provided under this Contract.

**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 of the Companies Act 2006

**Intellectual Property Right(s)**
any patent, petty patent, copyright, database right, design right, community design right, semiconductor topography right, registered design, rights in confidential information and know-how, or any similar right in any part of the world and will include any applications for the registration of any such rights capable of registration in any part of the world

**Refurbished Device**
a previously owned device which has been checked to ensure that the call facility (where applicable), keypad, battery, software, camera facility (where applicable) and LCD screen are working. The Refurbished Device will be free from visual dents, scratches and abrasions when viewed at arm's length

**SIM Card(s)**
a Subscriber Identity Module Card

**Software**
any software and associated written and electronic documentation and data provided by BT under the Contract

**Supplier**
a company appointed by BT to facilitate the evaluation process

**Working Day**
any day between Monday and Friday, excluding bank and public holidays