

TERMS AND CONDITIONS FOR PBX MAINTENANCE

YOUR AGREEMENT WITH US (this "AGREEMENT") IS MADE UP OF THE FOLLOWING DOCUMENTS:

- (i) THESE CONDITIONS;
- (ii) THE SERVICE AGREEMENT;
- (iii) THE ORDER SCHEDULES;
- (iv) THE RELEVANT TARIFF(S) FOR THE SERVICES WE AGREE TO PROVIDE TO YOU;
- (v) THE CONDITIONS FOR COMMUNICATION SERVICES; AND
- (vi) ANY OTHER RELEVANT PRODUCT SPECIFIC CONDITIONS, all of which are available on www.gamma.co.uk/gbc.

We have agreed to provide and the Customer has agreed to engage us to provide the maintenance services in respect of the Equipment as described in the Schedule, upon and subject to the terms and conditions of this Agreement and the Schedule hereto ("the Agreement").

This Agreement shall override any terms and conditions contained in or referred to in any document from the Customer and shall supersede all prior agreements, offers and discussions (oral or written) between the parties regarding the subject matter of the Agreement. No amendment or variation may be made to this Agreement unless agreed (as an amendment or variation) in writing by an authorised officer of gamma Business Communications. If this Agreement has not been executed by the Customer prior to the commencement of the Services it shall be binding on the Customer when the Customer accepts the Services. We may subcontract some or all of its responsibilities under this Agreement to a third party.

1. MAINTENANCE PERIOD AND CHARGE

(a) This Agreement shall start on The Commencement Date specified in Part 6 of the Schedule and shall continue for the minimum term as specified in Part 9 of the Schedule and thereafter from year to year (each year starting on the anniversary of The Commencement Date) until terminated by Notice in writing by either party to the other, such Notice to be received a minimum of 90 days prior to the next anniversary of The Commencement Date (referred to hereafter as the "Notice"). Such Notice will be acknowledged in writing by us within 5 working days of its receipt of the Notice, the acknowledgement being sole evidence that Notice has been given. The Customer is therefore strongly advised to submit any Notice in good time and confirm receipt of the Notice by us.

(b) The Annual Maintenance Charge for the initial period of 12 months shall be the charge specified in Part 7 of the Schedule of this document. The Annual Maintenance Charge for periods after the initial period will be adjusted by a rate not exceeding the variance indicated by the BEAMA (The Federation of British Electrotechnical and Allied Manufacturers' Associations) indices for Electrical Engineering during the twelve month period prior to the review. The Annual Maintenance Charge for each year during which this Agreement continues shall be paid before the date on which that year begins together with any applicable VAT or other tax.

i. If Notice is given, as defined above, before the expiry of the minimum term shown then payment is due for the sum of the annual amounts up to the expiry date of the minimum term.

ii. If Notice is given, as defined above, after the expiry date of the minimum term shown then payment is due up to the end of the current year of cover.

iii. If Notice is not given, this agreement will be deemed to continue from year to year.

iv. Where Notice has been given, we shall cease to provide service immediately after the period for which payment has been received.

(c) We may from time to time increase its Annual Maintenance Charge by an amount exceeding the BEAMA rate and shall give the Customer 30 days' prior written notice of such increase ("the Price Increase Notice"). The Customer shall have the right to terminate this Agreement by written notice within 30 days of receipt of the Price Increase Notice without affecting our accrued rights.

(d) If in our opinion (acting reasonably) it becomes uneconomic to maintain the Customer's telephone system, we reserve the right to give the Customer 90 days termination notice at any time.

(e) Without prejudice to its other rights and remedies, in the event that full settlement is not received in respect of an invoice prior to the service commencement date to which the invoice relates, we may charge the Customer a £25 (plus VAT) administration fee, together with interest at 4% above the prevailing base rate of Lloyds TSB Bank plc from the due date until payment is received by us.

2. MAINTENANCE AND REPAIR

(a) During the period of the Agreement, in consideration of the payment of the Annual Maintenance Charge, we shall as soon as is reasonably practicable after notification in accordance with Clause 6 (a) below provide the services of a maintenance engineer to carry out any maintenance of and repairs and replacements to the Equipment that may be reasonably requested by the Customer and shall carry out free of any extra charge any maintenance, repairs and replacements (including the provision of any necessary materials and spare parts) as shall be necessary as a result of fair wear and tear arising from the proper operation of the Equipment. Replacement parts will become the property of the Customer, and replaced parts our property. Replacement parts will be of at least equivalent functionality but may not be identical model or colour. Any maintenance, repairs or replacements or Customer visits caused other than by fair wear and tear may be carried out at the Customer's expense at our current rates. The response time for these faults will be guided by the service level shown in Part 11 of the Schedule and further defined in Clause 2(c) below. All maintenance, repairs or replacements may be carried out at the premises where the Equipment is installed or elsewhere at our discretion. For the avoidance of doubt our response may be fulfilled either by accessing the system remotely with a view to diagnosing the fault or by having an engineer attend site with a view to diagnosing the fault.

(b) This Agreement does not cover the following items unless they are specifically detailed in the Equipment section in Part 5 of the Schedule or incorporated by

TERMS AND CONDITIONS FOR PBX MAINTENANCE

way of a supplementary contract as described in 3(c) below:

- i. Overhead, underground, concealed internal or external cabling.
- ii. Two wire telephone handsets, otherwise known as POT Phones.
- iii. Structured cabling systems such as CAT5.
- iv. On PABX systems, cabling from the telephone system central processing unit to the line-jack unit.
- v. Call loggers, voicemail, battery back up including batteries and other additional ancillary equipment.
- vi. Cleaning of equipment; commissioning, programming or de-commissioning of the system or part thereof.

(c) This Agreement does not cover preventative maintenance visits, which may be arranged with us for an additional fee.

(d) Definition of Level of Service as detailed in Part 11 of the Schedule:

- i. 16Hr Mon to Fri 9 to 5 – we will respond to the fault either remotely or by sending an engineer to site within 16 working hours, Monday to Friday, 9.00am to 5.00pm, excluding public and bank holidays.
- ii. 8Hr Mon to Fri 9 to 5 – we will respond to the fault either remotely or by sending an engineer to site within 8 working hours, Monday to Friday, 9.00am to 5.00pm, excluding public and bank holidays.
- iii. 4Hr Mon to Fri 9 to 5 – we will respond to the fault either remotely or by sending an engineer to site within 4 working hours, Monday to Friday, 9.00am to 5.00pm, excluding public and bank holidays.
- iv. 8Hr Mon to Sat 9 to 5 – we will respond to the fault either remotely or by sending an engineer to site within 8 working hours, Monday to Saturday, 9.00am to 5.00pm, excluding public and bank holidays.
- v. 4Hr Mon to Sat 9 to 5 – we will respond to the fault either remotely or by sending an engineer to site within 4 working hours, Monday to Saturday, 9.00am to 5.00pm, excluding public and bank holidays.
- vi. 24Hr 365 Days a Year – we will respond to the fault either remotely or by sending an engineer to site within 4 working hours.
- vii. Special/Extended Terms/Flex24 – This is specified in Part 11 of the Schedule, if applicable, and is subject to a fee premium.

(e) Where the Customer requests that the remedial work carried out by us is done outside of the contracted hours then we may charge at its current rates for this.

(f) Where a fault has been logged and we have responded and no fault exists on the Equipment then this is deemed to be an "Abortive Visit". Abortive Visits will be charged to the Customer at our current rates. Where a fault has been logged and we are unable to gain access to the Customer's premises during the hours contracted then we may charge the Customer an Abortive Visit call out fee.

(g) Where parts are delivered to the Customer and the Customer is due to return an equivalent part to us, we will invoice the Customer the normal selling price of the part in the event that the part is not returned to us within two weeks of receipt by the Customer of the replacement part. We will also invoice the Customer for the cost of repairing any damage to the part which reasonably appears to have been caused by the inadequate packaging by the Customer.

(h) Where parts are delivered to the Customer by courier and/or electronic worksheets are used, the Customer agrees that electronic signatures applied in acknowledgement of parts delivered or services rendered will have the same legal force as hard copy signatures.

(i) It is understood that we cannot make appointments to carry out remedial work to faults. We operate an allocation and scheduling system that prioritises faults according to severity of the fault and the level of cover provided.

We will endeavour to attend the fault at the earliest opportunity within the cover period. Any estimates relating to the time that engineers will either attend site or respond remotely are only best indications and must not be taken as firm appointment times. We cannot be held responsible for responding to faults at a different time to that estimated.

(j) For the purpose of Clause 2(d) any reference to public and bank holidays shall refer to the public and bank holidays that exist in the country where the site is located as referred to in Part 3 of the Schedule.

(k) We are not responsible for providing software upgrades, enhancements or patches free of charge.

(l) For health and safety reasons, we reserve the right to decline to attend the Customer's site if our engineer will be alone on site or in an isolated area of the site.

3. ALTERATIONS TO EQUIPMENT AND EXTENSION WIRING

(a) All alterations to apparatus and extensions to wiring (including removal and reinstallation to a new site) shall be carried out by an installer authorised by us. We reserve the right to carry out a Maintenance Acceptance Test ("MAT") on this new equipment. We may charge at its current rates for this MAT.

(b) Any alterations to Equipment and wiring shall be notified to us within 14 working days of the commencement of the works.

(c) We may adjust the Annual Maintenance Charge if the Equipment is altered, in accordance with its current level of charges. In this event, the Customer shall sign a supplementary contract, detailing the additional equipment and the additional maintenance charge.

(d) Where insufficient notice is given in accordance with Clause 3 (b) above then we may ask for proof of the date of installation relating to any additional equipment and we may retrospectively charge for the maintenance of this equipment in line with its current rates.

(e) For the avoidance of doubt if the Customer adds new parts to the Equipment detailed in Part 5 of the Schedule then this will be automatically maintained by us, at our discretion. We will as a consequence invoice the Customer for the maintenance of these new parts.

4. INSPECTION OF INSTALLATION

We may request to carry out an MAT prior to responding to the first fault that is logged. We may carry out the MAT as a separate visit. If the MAT is passed then faults may be logged with us and service will commence. If the MAT is failed then we reserve the right to request that any specific remedial action be carried out (at the Customer's cost) prior to attending to any fault. Where the MAT is failed but where any necessary remedial action can be carried out by us

TERMS AND CONDITIONS FOR PBX MAINTENANCE

then we may carry this out and charge this to the Customer at its current rates.

5. CARRIER'S LIABILITY

Where the fault that has been logged has been a non-system fault, but instead one of the carrier (i.e. British Telecom or Cable & Wireless etc) and we do not route the Customer's call traffic then we will charge the Customer for the call out and any parts used at its current rates. We will provide a carrier fault reference that can be used to recharge the cost that we have charged, on to the carrier. We cannot accept responsibility where the carrier refuses to cover all these costs. Where we carry the call traffic then the call out charge will not apply.

6. THE CUSTOMER'S RESPONSIBILITIES AND LIABILITIES

(a) The Customer shall notify us either orally or in writing as soon as possible of any fault in the Equipment or of any work or maintenance that may be necessary. We may at its option repair at its current rates faults or damage that have arisen because of the failure of the Customer to notify us properly.

(b) The Customer shall not allow the Equipment to be moved, interfered with or tampered with and shall at all times comply with all reasonable advice given by us in relation to the operation and care of the Equipment. We may at its option repair at its current rates faults or damage that have been caused by such moving, interference or tampering or by any failure by the Customer to comply with our directions.

(c) Should any maintenance, repair, replacement, alteration or addition be made to the Equipment other than by us or its authorised installer, we may terminate the Agreement with immediate effect by giving the Customer written notice and may retain the Annual Maintenance Charge.

(d) The Customer shall at its expense comply with all statutory requirements, bylaws, obligations, regulations, recommendations or instructions relating to the use or testing of the Equipment. The Customer shall obtain and pay for any licences, way leaves, suitable private wires, jack sockets or any other items necessary for the operation of the Equipment. Suitable electric supplies where needed shall be provided and maintained by the Customer at its expense.

(e) The Customer shall give us and our representatives unhindered access to the Equipment and shall at its expense make available mains electric supply and any other facilities, services and co-operation as may be necessary for the proper and prompt maintenance or repair of the Equipment under this Agreement.

(f) The Customer shall ensure site plans are accessible to us on each visit. The Customer shall ensure that all programming performed by a third party is backed up and made available to us. It is advised that both the site plans and programming diskette are located next to the system.

(g) Where the system allows remote access via a modem, it is the Customer's responsibility to provide a suitable modem in order for us to respond adequately to any fault. Where access is deliberately denied via a modem then we may increase the Annual Maintenance Charge by up to a further 50%.

(h) The Customer shall maintain an environment suitable to support efficient operation of the

Equipment. The Customer is responsible for any damage caused by electrical surges, flooding, lightning, over heating or other external influences, which do not constitute fair wear and tear. We will charge the Customer for parts and labour in respect of such damage at its current rates. In the event of disagreement as to whether work is chargeable or not, we may provide reasonable but not necessarily absolute evidence of such external influences, however the Customer's signature on a relevant chargeable job sheet will in any event signify its acceptance that the work is chargeable.

(i) Prior to commencement of work by us at the Customer's Premises, the Customer shall inform our employees attending the Premises of all relevant health and safety regulations relating to the Premises and any issues relating to dangerous substances, asbestos and similar risks, and the Customer shall comply with all relevant legal requirements including its employer's duties under health & safety legislation.

(j) Where the Customer's internal control procedures require a purchase order to be raised for chargeable work undertaken by us, it is the Customer's responsibility to ensure that this occurs: we can accept no delay in payment due to the absence of such purchase order.

(k) If the Customer fails to observe the provisions of this Agreement, we may decline to respond to a fault and/or may terminate the Agreement with immediate effect by giving the Customer written notice and may retain the Annual Maintenance Charge.

(l) We shall not be liable for any costs, or consequential losses or consequential costs relating to telephone calls or any malicious acts resulting from these telephone calls made in a malicious or otherwise manner, made through the telephone system either from within the Customer's premises or by a third party obtaining access to the Customer's system. For the avoidance of doubt, the security of the Customer's telephone system is the sole responsibility of the Customer notwithstanding any work carried out on the system by our employees or subcontractors.

(m) We shall not be liable for any costs, or consequential losses or consequential costs resulting from the Customer's inability to perform pre-programmed tasks (for example analysis of call logging records) following work carried out by us. Whilst we will endeavour to minimise disruption to the Customer, the Customer acknowledges that it is solely responsible for such programming and re-programming, and checking that programmes have not been affected by any work carried out on the Equipment.

7. LIABILITY AND INDEMNITY

(a) We will indemnify the Customer:

- i. against liability for personal injury or death directly attributable to our negligence in the performance of this Agreement; and
- ii. against physical damage (but not loss of any data or other consequential loss) caused to the Customer's tangible property directly arising from our in connection with our maintenance of the Equipment.

The Customer agrees to afford us not less than 30 days in which to remedy any default under this Clause 7 (a) (ii).

(b) Our total liability, other than that referred to in Clause 7(a) (i), to the Customer under the indemnities

TERMS AND CONDITIONS FOR PBX MAINTENANCE

contained in this Clause 7 shall not exceed the Annual Maintenance Charge for one or more related claims arising in any one twelve month period.

(c) Except for Clause 7(a) (i) and (ii) and subject to the provisions of this Clause 7 we shall not be liable to the Customer for any loss, expense or damage of any kind (direct, indirect or consequential and whether arising from negligence of otherwise) in connection with our maintenance of the Equipment or otherwise.

(d) The Customer acknowledges that the Annual Maintenance Charge reflects the limitations contained in this Clause 7. It is the Customer's responsibility to effect insurance cover in respect of all risks relating to the services provided by us which are not covered by this Agreement or the liabilities accepted under this Clause 7.

(e) We do not accept any responsibility for system faults caused by telephone area code changes, changes in carrier services or as a result of any legislative changes.

(f) We accept no liability for any claim relating to least cost routing programming.

8. ENGLISH LAW

(a) This Agreement shall in all respects be governed by English law. The parties hereby irrevocably submit to the nonexclusive jurisdiction of the English courts.

(b) The submission by the parties to such jurisdiction shall not limit our right to commence any proceedings arising out of this Agreement in any other jurisdiction it may consider appropriate.

(c) Any notice of proceedings or other notices in connection with or which would give effect to any such proceedings may without prejudice to any other method of service be served on any party at the address specified in Part 1 or Part 2 as appropriate, or any alternative address notified to the other party in writing.

(d) In the event that the Customer is resident outside England any time limits in any proceedings shall not be extended by virtue only of the residence of the Customer.

(e) A person who is not party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of this Agreement.

9. GENERAL

(a) Construction

The construction of this Agreement is not to be affected by any heading. Reference to the plural shall include the singular and vice versa.

(b) Entire Agreement

This Agreement constitutes the entire agreement between the parties and there are no agreements or understandings between them other than those set out herein.

(c) Variation

Any variation to this Agreement shall only be binding if it is recorded in a document signed by our authorised representative. We may vary this agreement by giving the Customer 14 days notice.

(d) Waiver

Failure by us to exercise any of its rights hereunder shall not constitute or be deemed a waiver or forfeiture of such rights.

(e) Any express or implied waiver by us of any term or condition of this Agreement or of any breach or default by the Customer may be terminated by us at any time. No such waiver shall constitute a continuing waiver nor shall it prevent us from acting upon that or any subsequent breach or default or from enforcing any term or condition of this Agreement.

(f) Force Majeure

We shall not be liable in any way for loss, damage or delay consequent upon any circumstances beyond its reasonable control.

(g) Assignment and Transfer

The Customer may not assign the benefit of this Agreement or transfer, delegate or sub-contract any of its duties or obligations without our prior written consent. We may assign the benefits and obligations of this Agreement without the prior consent of the Customer.

(h) Agent

If a dealer/installer pays any part of this Agreement, he is acting as agent on behalf of the Customer.

(i) Data Protection Act

Personal data (as defined in the Data Protection Act 1998, or any amendment or re-enactment thereof) in respect of a Customer which is obtained consequent to this Agreement will be held on our computer system, and may be used by us for the purposes of assessing the level of credit which should be extended to the Customer. The information may also be used for the future marketing of related products and services or any of its associated companies unless the subject of the personal data gives us notice in writing to the contrary.

(j) Intellectual Property Rights

The parties agree that any confidential know-how, copyrights, patents, trade secrets, inventions, trade marks and trade names and design rights used by us in performing its obligations under this Agreement or arising in the course of performing its obligations hereunder are, and will remain, our property (or the third party who has granted us the right to use it) and nothing in this Agreement or our performance of it will be deemed to pass or transfer to the Customer any such intellectual property rights of ours or any third party.

10. PAYMENT TERMS

Payment of the Annual Maintenance Charge is due before the period of cover commences. Payment for the maintenance of any additional equipment or for chargeable work is due by return following receipt of invoice. Failure to pay any outstanding invoices that are due may result in maintenance being suspended. Suspension may remain in place until payment is received. Suspension does not affect our accrued rights.