

Terms and Conditions



1. INTERPRETATION

The definitions and rules of interpretation in this clause apply in these terms and conditions.

1.1

Definitions:

Cloud Digital: Cloud Digital Limited of registered office address Sentinel Suite, Unit 5 Carr House, 8 Hawley Road, Hinckley, Leicestershire, England, LE10 0PR registered in England and Wales under company number 09899657.

Contract: the Customer's purchase order and Cloud Digital's acceptance of it under *Clause 3*.

Customer: the person, firm or company who purchases Services from Cloud Digital.

Customer's Project Manager: the Customer's manager for the Project appointed in accordance with *Clause 5.1(a)*.

Deliverables: all products and materials developed by Cloud Digital in relation to the Project in any media, including, without limitation, computer programs, data, diagrams, reports and specifications (including drafts).

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trademarks, trade names, domain names, rights in get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, moral rights, rights in confidential information (including without limitation know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered, and including without limitation all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world.

Mandatory Policies: the Customer's or Cloud Digital's business policies and codes agreed to be included in the Schedule, as amended by notification to the other party from time to time.

Pre-existing Materials: materials which existed before the commencement of the Project.

Project: the project as described in the Project Plan.

Project Milestone: a date by which a part of the Project is estimated to be completed, as set out in the Project Plan.

Project Plan: the detailed plan describing the Project and setting out the estimated timetable (including without limitation Project Milestones) and responsibilities of each of the parties for, or in connection with, the provision of the Services by Cloud Digital in accordance with the Contract.

Services: the services to be provided by Cloud Digital under the Contract.

Cloud Digital's Project Manager: Cloud Digital's manager for the Project, appointed in accordance with *Clause 4.3*.

VAT: value added tax chargeable under English law for the time being and any similar additional tax.

1.2

Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.

1.3

A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.4

A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.

1.5

Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.

1.6

Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

1.7

A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.8

A reference to **writing** or **written** includes faxes and email.

1.9

References to clauses and Schedules are to the clauses and Schedules of this agreement and references to paragraphs are to paragraphs of the relevant Schedule.

2. APPLICATION OF CONDITIONS

2.1

These conditions shall:

(a) apply to and be incorporated in the Contract; and

(b) prevail over any inconsistent terms or conditions contained in, or referred to in, the Customer's purchase order, confirmation of order, or specification, or implied by law, trade custom, practice or course of dealing.

2.2

No addition to, variation of, exclusion or attempted exclusion of any term of the Contract shall be binding on Cloud Digital unless in writing and signed by a duly authorised representative of Cloud Digital.

3. EFFECT OF PURCHASE ORDER

3.1

The Customer's purchase order constitutes an offer by the Customer to purchase the Services specified in it on these conditions; accordingly, the execution and return of the acknowledgement copy of the purchase order form by Cloud Digital, or Cloud Digital's commencement or execution of work pursuant to the purchase order, shall establish a contract for the supply and purchase of those Services on these conditions. The Customer's standard terms and conditions (if any) attached to, enclosed with, or referred to in, the purchase order shall not govern the Contract.

4. CLOUD DIGITAL'S OBLIGATIONS

4.1

Cloud Digital shall use reasonable endeavours to manage and complete the Project, and to deliver the Deliverables to the Customer, in accordance in all material respects with the Project Plan.

4.2

Cloud Digital shall use reasonable endeavours to meet the performance dates specified in the Project Plan, but any such dates shall be estimates only and time shall not be of the essence of the Contract.

4.3

Cloud Digital shall appoint Cloud Digital's Project Manager who shall have authority to contractually bind Cloud Digital on all matters relating to the Project. Cloud Digital shall use reasonable endeavours to ensure that the same person acts as Cloud Digital's Project Manager throughout the Project but may replace him from time to time where reasonably necessary in the interests of Cloud Digital's business.

Terms and Conditions

5. CUSTOMER'S OBLIGATIONS

5.1

The Customer shall:

- (a) co-operate with Cloud Digital in all matters relating to the Project and appoint the Customer's Project Manager, who shall have the authority to contractually bind the Customer on matters relating to the Project;
- (b) provide in a timely manner such access to the Customer's premises and data, and such office accommodation and other facilities, as is requested by Cloud Digital;
- (c) provide in a timely manner such information as Cloud Digital may request, and ensure that such information is accurate in all material respects; and
- (d) be responsible (at its own cost) for preparing the relevant premises for the supply of the Services.

5.2

If Cloud Digital's performance of its obligations under the Contract is prevented or delayed by any act or omission of the Customer or the Customer's agents, sub-contractors or employees, the Customer shall in all circumstances be liable to pay to Cloud Digital on demand all reasonable costs, charges or losses sustained or incurred by it (including, without limitation, any direct, indirect or consequential losses, loss of profit and loss of reputation, loss or damage to property, injury to or death of any person and loss of opportunity to deploy resources elsewhere), subject to Cloud Digital confirming such costs, charges and losses to the Customer in writing.

5.3

The Customer shall not, without the prior written consent of Cloud Digital, at any time from the date of the Contract to the expiry of twelve months after the completion of the Services, solicit or entice away from Cloud Digital or employ or attempt to employ any person who is, or has been, engaged as an employee or sub-contractor of Cloud Digital, except that the Customer shall not be in breach of this condition 5.3 if it hires an employee or sub-contractor of Cloud Digital as a result of a recruitment campaign not specifically targeted to any employees or sub-contractors of Cloud Digital, except that the Customer shall not be in breach of this condition 5.3 if it hires an employee or sub-contractor of Cloud Digital as a result of a recruitment campaign not specifically targeted to any employees or sub-contractors of Cloud Digital.

5.4

Any consent given by Cloud Digital in accordance with Condition 5.3 shall be subject to the Customer paying to Cloud Digital on demand a sum equivalent to 20% of the then current annual remuneration of Cloud Digital's employee or sub-contractor or, if higher, 20% of the annual remuneration to be paid by the Customer to such employee or sub-contractor.

6. CHANGE CONTROL

6.1

The Customer's Project Manager and Cloud Digital's Project Manager shall meet at least once every month to discuss matters relating to the Project. If either party wishes to change the scope of the Services, it shall submit details of the requested change to the other in writing.

6.2

If either party requests a change to the scope or execution of the Services, Cloud Digital shall, within a reasonable time, provide a written estimate to the Customer of:

- (a) the likely time required to implement the change;
- (b) any variations to Cloud Digital's charges arising from the change;
- (c) the likely effect of the change on the Project Plan; and
- (d) any other impact of the change on the terms of the Contract.

6.3

If Cloud Digital requests a change to the scope of the Services, the

Customer shall not unreasonably withhold or delay consent to it.

6.4

If the Customer wishes Cloud Digital to proceed with the change, Cloud Digital has no obligation to do so unless and until the parties have agreed in writing on the necessary variations to its charges, the Project Plan and any other relevant terms of the Contract to take account of the change.

7. CHARGES AND PAYMENT

7.1

Clause 7.2 shall apply if the Services are to be provided on a time-and-materials basis. Clause 7.3 and Clause 7.4 shall apply if the Services are to be provided for a fixed price. The remainder of this Clause 7. shall apply in either case.

7.2

Where the Services are provided on a time-and-materials basis:

(a) the charges payable for the Services shall be calculated in accordance with Cloud Digital's standard daily fee rates as amended from time to time;

(b) Cloud Digital's standard daily fee rates are calculated on the basis of an eight-hour day worked between 9.00 am and 5.00 pm on weekdays (excluding weekends and public holidays);

(c) Cloud Digital shall be entitled to charge at an overtime rate of 150% of the normal rate for part days and for time worked by members of the project team outside the hours referred to in Clause 7.2(b) on a pro-rata basis;

(d) Cloud Digital shall ensure that all members of the project team complete time sheets recording time spent on the Project, and Cloud Digital shall use such time sheets to calculate the charges covered by each monthly invoice referred to in Condition 7.2(e); and

(e) Cloud Digital shall invoice the Customer weekly in arrears for its charges for time, expenses and materials (together with VAT where appropriate) for the month concerned, calculated as provided in this Clause 7. Save for software products sold by Cloud Digital, any expenses, materials and third party services shall be invoiced by Cloud Digital at cost plus 10%. Each invoice shall set out the time spent by each member of the project team and provide a detailed breakdown of any expenses and materials, accompanied by the relevant receipts.

7.3

Where the Services are provided for a fixed price the total price for the Services shall be the amount set out in the Project Plan. The total price shall be paid to Cloud Digital in instalments as set out in the Project Plan on its achieving the corresponding Project Milestone. On achieving a Project Milestone, Cloud Digital shall invoice the Customer for the charges that are then payable, together with expenses and the costs of materials (and VAT, where appropriate), calculated as provided in Clause 7.4.

7.4

Any fixed price contained in the Project Plan excludes:

(a) the cost of hotel, subsistence, travelling and any other ancillary expenses reasonably incurred by the project team in connection with the Services, and the cost of any materials or services reasonably and properly provided by third parties required by Cloud Digital for the supply of the Services. Such expenses, materials and third-party services shall be invoiced by Cloud Digital at cost plus 10%; and

(b) VAT, which Cloud Digital shall add to its invoices at the appropriate rate.

7.5

The Customer shall pay each invoice submitted to it by Cloud Digital in full, and in cleared funds, within 14 days of receipt.

7.6

Without prejudice to any other right or remedy that Cloud Digital may have, if the Customer fails to pay Cloud Digital on the due date Cloud Digital may:

Terms and Conditions

(a) charge interest on such sum from the due date for payment at the annual rate of 2% above the base lending rate from time to time of NatWest Bank plc, accruing on a daily basis and being compounded quarterly until payment is made, whether before or after any judgment; and

(b) suspend all Services until payment has been made in full.

7.7

Time for payment shall be of the essence of the Contract.

7.8

All payments payable to Cloud Digital under the Contract shall become due immediately on termination of the Contract, despite any other provision. This condition is without prejudice to any right to claim for interest under the law, or any such right under the Contract.

7.9

All amounts due under this agreement shall be paid by the Customer to Cloud Digital in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law). Cloud Digital may, without prejudice to any other rights it may have, set off any liability of the Customer to Cloud Digital against any liability of Cloud Digital to the Customer.

8. INTELLECTUAL PROPERTY RIGHTS

8.1

All Intellectual Property Rights and all other rights in the Deliverables shall be owned by Cloud Digital. Cloud Digital hereby licenses all such rights to the Customer free of charge and on a non-exclusive, non-transferable and worldwide basis to such extent as is necessary to enable the Customer to make reasonable use of the Deliverables and the Services as is envisaged by the parties. If Cloud Digital terminates the Contract under *Clause 11.1*, this licence will automatically terminate.

8.2

The Customer acknowledges that the Customer's use of rights in Pre-existing Materials is conditional on Cloud Digital obtaining a written end-user licence (or sub-licence) of such rights from the relevant licensor or licensors on such terms as will entitle Cloud Digital to license such rights to the Customer.

9. CONFIDENTIALITY AND CLOUD DIGITAL'S PROPERTY AND COMPLIANCE WITH POLICIES

9.1

The Customer shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Customer by Cloud Digital or its agents, and any other confidential information concerning Cloud Digital's business or its products which the Customer may obtain. The Customer shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know it for the purpose of discharging the Customer's obligations to Cloud Digital, and shall ensure that such employees, agents or sub-contractors are subject to obligations of confidentiality corresponding to those which bind the Customer.

9.2

Each party may be given access to Confidential Information from the other party in order to perform its obligations under this agreement. A party's Confidential Information shall not be deemed to include information that:

- (a) is or becomes publicly known other than through any act or omission of the receiving party;
- (b) was in the other party's lawful possession before the disclosure;
- (c) is lawfully disclosed to the receiving party by a third party without restriction on disclosure;
- (d) is independently developed by the receiving party, which independent development can be shown by written evidence.

9.3

Subject to *Clause 9.5*, each party shall hold the other's Confidential Information in confidence and not make the other's Confidential Information available to any third party or use the other's Confidential Information for any purpose other than the implementation of this agreement.

9.4

Each party shall take all reasonable steps to ensure that the other's Confidential Information to which it has access is not disclosed or distributed by its employees or agents in violation of the terms of this agreement.

9.5

A party may disclose Confidential Information to the extent such Confidential Information is required to be disclosed by law, by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction, provided that, to the extent it is legally permitted to do so, it gives the other party as much notice of such disclosure as possible and, where notice of disclosure is not prohibited and is given in accordance with this *Condition 9.5*, it takes into account the reasonable requests of the other party in relation to the content of such disclosure.

9.6

All materials, equipment and tools, drawings, specifications and data supplied by Cloud Digital to the Customer shall at all times be and remain the exclusive property of Cloud Digital but shall be held by the Customer in safe custody at its own risk and maintained and kept in good condition by the Customer until returned to Cloud Digital and shall not be disposed of or used other than in accordance with Cloud Digital's written instructions or authorisation.

9.7

The above provision of this *Clause 9* shall survive termination of the Contract, however arising.

9.8 In performing its obligations under this agreement the parties shall comply with the Mandatory Policies.

10. LIMITATION OF LIABILITY

10.1

The following provisions set out the entire financial liability of Cloud Digital (including without limitation any liability for the acts or omissions of its employees, agents and sub-contractors) to the Customer in respect of:

- (a) any breach of the Contract howsoever arising;
- (b) any use made by the Customer of the Services, the Deliverables or any part of them; and
- (c) any representation, misrepresentation (whether innocent or negligent), statement or tortious act or omission (including without limitation negligence) arising under or in connection with the Contract.

10.2

All warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Contract.

10.3

Nothing in these conditions excludes the liability of Cloud Digital:

- (a) for death or personal injury caused by Cloud Digital's negligence; or
- (b) for fraud or fraudulent misrepresentation.

10.4

Subject to *Clause 10.2* and *Clause 10.3*:

- (a) Cloud Digital shall not in any circumstances be liable, whether in tort (including without limitation for negligence or breach of statutory duty howsoever arising), contract, misrepresentation (whether innocent or negligent) or otherwise for:
 - (i) loss of profits; or
 - (ii) loss of business; or

Terms and Conditions

- (iii) depletion of goodwill or similar losses; or
 - (iv) loss of anticipated savings; or
 - (v) loss of goods; or
 - (vi) loss of contract; or
 - (vii) loss of use; or
 - (viii) loss or corruption of data or information; or
 - (ix) any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses.
- (b) Cloud Digital's total liability in contract, tort (including without limitation negligence or breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to £1,000,000 or the price paid for the Services, whichever is the higher.

11. TERMINATION

11.1

Without prejudice to any other rights or remedies to which the parties may be entitled, either party may terminate the Contract without liability to the other if:

- (a) the other party fails to pay any amount due under this agreement on the due date for payment and remains in default not less than seven days after being notified in writing to make such payment;
- (b) the other party commits a material breach of any other term of this agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 14 days after being notified in writing to do so;
- (c) the other party repeatedly breaches any of the terms of this agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this agreement;
- (d) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
- (e) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (f) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other party other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (g) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the other party;
- (h) the holder of a qualifying floating charge over the assets of that other party has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- (j) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other party's assets and such attachment or process is not discharged within 14 days;
- (k) any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in *Clause 11.1(d)* to *Clause*

11.1(j) (inclusive);

(l) there is a change of control of the other party (within the meaning of section 1124 of the Corporation Tax Act 2010).

11.2

Any provision of this agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this agreement shall remain in full force and effect.

11.3

Termination of this agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination.

12. FORCE MAJEURE

12.1

Cloud Digital shall not in any circumstances have any liability to the Customer under the Contract if it is prevented from, or delayed in, performing its obligations under the Contract or from carrying on its business by acts, events, omissions or accidents beyond its reasonable control, including, without limitation, strikes, lock-outs or other industrial disputes (whether involving the workforce of Cloud Digital or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or sub-contractors.

13. WAIVER

13.1

No failure or delay by a party to exercise any right or remedy provided under this agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

14. RIGHTS AND REMEDIES

14.1

The rights and remedies provided under this agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

15. SEVERANCE

15.1

If any provision or part-provision of this agreement is or becomes 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 and enforceability of the rest of this agreement.

15.2

If any provision or part-provision of this agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

16. ENTIRE AGREEMENT

16.1

This agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between

Terms and Conditions

them, whether written or oral, relating to its subject matter.

16.2

Each party acknowledges that in entering into this agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement.

16.3

Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this agreement.

17. ASSIGNMENT

17.1

The Customer shall not, without the prior written consent of Cloud Digital, assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

17.2

Cloud Digital may at any time assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

18. NO PARTNERSHIP OR AGENCY

18.1

Nothing in the Contract is intended to or shall operate to create a partnership between the parties, or to authorise either party to act as agent for the other, and neither party shall have authority to act in the name or on behalf of or otherwise to bind the other in any way (including without limitation the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

19. THIRD PARTY RIGHTS

19.1

No one other than a party to this agreement, their successors and permitted assignees, shall have any right to enforce any of its terms.

20. NOTICES

20.1

Any notice or other communication given to a party under or in connection with this contract shall be in writing and shall be:

- (a) delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office; or
- (b) sent by fax to its main fax number.

20.2

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

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;
- (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service;
- (c) if sent by fax, at 9.00 am on the next Business Day after transmission.

20.3

This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution. For the purposes of this clause, "writing" shall include email.

21. GOVERNING LAW

21.1

The Contract and any disputes or claims arising out of or in connection with it or its subject matter or formation (including without limitation non-contractual disputes or claims) are governed by and construed in

accordance with the law of England and Wales.

22. JURISDICTION

22.1

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

THE SCHEDULE

MANDATORY POLICIES

LIST THE MANDATORY POLICIES HERE

The Mandatory Policies are:

- Modern Slavery and Human Trafficking Policy
- Corporate and Social Responsibility Policy
- Data and Privacy Policy
- Ethics and Anti-Bribery Policy
- Expenses Policy