

Between **Capita Business Systems Limited** trading as **Capita Secure Information Solutions Limited** whose registered office is at 17 Rochester Row, Westminster, London SW1P 1QT (Registration Number 01593831) ("Capita") and **Customer** whose registered office is at **XXXXXXXXXXXX** ("Customer").

Definitions

Charges	means the charges for the provision of the Equipment and Services set out in this Agreement and derived in accordance with Schedule 1, including any milestone payment and service charge;
Commencement Date	means the date of commencement of the delivery of Services for implementation of the System;
Equipment	means the hardware, computer and telecoms devices and equipment supplied by Capita or its sub-contractors (but not hired, leased or loaned from the Customer) including Proprietary Hardware for the provision of the Solution and Services;
Go-Live Date	means the date on which the System or any part thereof is used by the Customer for the processing of live data;
Project Services	means the phase in which Capita is undertaking the design, installation and testing of the System. Work to be carried out in this phase is as described in Schedule 1. This phase shall begin on the Commencement Date and end on completion of the Go-Live Date;
Services	means the requirements of the Customer for the services, as defined in the relevant Schedules;
Specification	means the scope and characteristics of the System as defined in Schedule 1, attached Annexes and further Schedules to this Agreement.

1. AGREEMENT

This Agreement constitutes these terms and conditions together with each Schedule hereto attached.

2. CHARGES, SERVICES TO BE PROVIDED & TERM

In consideration of the payment by Customer of the Charges as set out in **Schedule 1, Annex 5** and subject to the payment terms set out therein Capita shall provide the Services for the Term specified therein.

3. TERMINATION

3.1 Always subject to agreeing a termination fee, Customer may terminate this Agreement upon four months prior written notice such termination to take effect no earlier than the expiry of the Term.

3.2 Either party may terminate this Agreement on giving written notice to the other if the other party is in material breach of the terms of this Agreement and has failed to rectify such breach (in the case of a breach capable of being remedied) within 30 days of receiving a written notice requiring it to do so. Failure by Customer to make timely payment against properly submitted invoices shall constitute a material breach of the Agreement.

3.3 Customer will pay Capita (i) the contractual Charges for all Services delivered up to and including the date of termination including which not already been paid, plus (ii) all incurred direct costs of Capita related to the Services not yet delivered at the time of such termination on an earned value basis against the agreed Project Plan.

3.4 This Agreement may be terminated in the event that either party shall have a liquidator, administrator, or receiver appointed, or it passes a resolution for winding up other than for the purposes of a bona fide, solvent reorganisation or restructuring, or if it becomes subject to an administration order.

4. LIABILITY

4.1 Neither party excludes nor limits its liability to the other party for death or personal injury caused by its negligence or for fraud or for any obligations implied by Section 12 of the Sales of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

4.2 The aggregate liability for direct loss of, or damage to, the tangible property of the other party shall in no event exceed five million pounds (£5million)

4.3 Subject always to Clauses 4.1 and 4.2 the liability of either party under this Agreement shall be subject to an aggregate liability of 100% of the Charges payable during the twelve-month period immediately preceding the date on which any claim arises

4.4 In no event shall either party be liable to the other for any loss of profits, business, revenue, business opportunities, goodwill or anticipated savings and/or indirect or consequential loss or damage even if that loss or damage was reasonably foreseeable or that party was aware of the possibility of that loss or damage arising.

4.5 Capita shall in no circumstances be liable for loss or damage caused by any default, act or omission on the part of the Customer and the Customer agrees to indemnify and keep Capita harmless in respect of any claims by third parties which are caused by or arise from any reasonable act by Capita carried out pursuant to instructions issued by Customer.

5. INTELLECTUAL PROPERTY RIGHTS & KNOWHOW

5.1 Customer acknowledges that any copyright, patent, registered design, trademark and/or other intellectual property right of whatever nature subsisting anywhere in the world ("Intellectual Property Rights") used or embodied in or in connection with the provision of the Services are and shall remain the sole property of Capita or any third party as may be identified therein or thereon as the owner. Customer shall not during or at any time after the expiry or

termination of this Agreement dispute the ownership by Capita or the owner of any such Intellectual Property Rights. In the event that new Knowhow evolves or is generated or arises in the provision of the Services, Customer acknowledges that the same and all Intellectual Property Rights therein shall belong to Capita.

5.2 Customer shall grant to Capita a non-exclusive, royalty free licence to use any software, documentation or other materials ("Materials") which are licensed or owned by Customer and are required for the purposes of providing the Services.

5.3 Each party shall at all times during and after the Term, indemnify and keep indemnified the other party against all losses, damages, costs or expenses and other liabilities (including legal fees and expenses on an indemnity basis) incurred by, awarded against or agreed to be paid by such party arising from any IPR claim arising from the use of the other party's Materials. Such indemnification shall not apply to the extent a claim is based upon (a) use of any version of the Materials other than a current, unaltered version, if infringement would have been avoided by a current, unaltered version; (b) combination, operation or use of the Materials with other materials which, if such infringement could have been avoided by not combining, operating or using the Materials with such other materials or (c) any unauthorised modifications to the Materials.

6. CONFIDENTIALITY AND DATA PROTECTION

6.1 Any information identified by either party as proprietary or confidential, any information which would be reasonably expected to be deemed confidential and any methods or concepts utilised in the performance of providing any Services shall be deemed "Confidential Information". Items will not be deemed Confidential Information if (i) available to the public other than by a breach of an agreement between the parties; (ii) rightfully received from a third party not in breach of any obligation of confidentiality; (iii) independently developed by one party without access to the Confidential Information of the other party; or (iv) if proven to have been known at the time of disclosure.

6.2 Each party will take all proper steps to keep confidential all Confidential Information of the other which is disclosed to or obtained by it pursuant to or as a result of this Agreement, and will not divulge the same to any third party and will allow access to the same to its own staff only on a "need to know" basis, except to the extent that any such Confidential Information becomes public through no fault of that party. Upon termination of this Agreement, each party will return to the other any equipment and written data (without retaining copies thereof) provided for the purposes of this Agreement.

6.3 Nothing shall prevent Capita from using the knowledge and know-how gained in providing the Services in any combination or permutation for any other purpose. Notwithstanding the termination or expiry of this Agreement for whatever reason the obligations and restrictions in this clause shall be valid for a period of five years from the termination of this Agreement.

6.4 Data Protection: "Data Protection Legislation" means, until 25 May 2018, the Data Protection Act 1998, and thereafter Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR); Within this Agreement the terms "controller", "data subject", "personal data", "process" and "processor" shall have the same meanings as in the Data Protection Legislation. Both parties confirm that they will fulfil the obligations assigned to them under the Data Protection Legislation when processing personal data belonging to the Customer.

Under the terms of the Data Protection Legislation the Customer shall be the Data Controller and Capita shall be the Data Processor. Capita agrees that it shall:

- (a) only process the personal data in accordance with the Customer's documented instructions;
- (b) implement appropriate technical and organisational measures against unlawful or unauthorised processing and/or against accidental loss or destruction of or damage to such personal data;
- (c) ensure Capita staff who have access to the personal data are subject to appropriate confidentiality obligations;
- (d) save as required by law, at the choice of the Customer delete or return the personal data on expiry or termination of this Agreement;

The Customer warrants, represents and undertakes to Capita that its instructions in relation to processing the personal data in accordance with the provisions of this Agreement are lawful. Capita shall be entitled to (i) engage a subcontractor to perform any of the data processing activities, and/or (ii) transfer the personal data to a third country, provided that any such engagement or transfer is carried out in compliance with the Data Protection Legislation. The Customer shall indemnify Capita against any liability arising as a result of either (i) a breach of the Data Protection Legislation by the Customer, or (ii) Capita following the Customer's instructions, policies or procedures in relation to the data processing undertaken

6.5 Freedom of Information: Where the Customer is a Public Authority under the Freedom of Information Act 2000, Capita shall provide at no additional Charges reasonable support to assist with responses to Information Requests. Where the Customer makes a charge to the Information Requester for the disclosure then the charge shall be apportioned appropriately between Capita and Customer. Customer shall consult Capita prior to disclosure of any information relating to the Services and shall duly consider exempting from disclosure any information that could damage the commercial interests of Capita.

7. DELAY

In the event of delay, the parties reserve the right to request an amendment to any stipulated timescale by a period of time equal to the period of such delay and its effects and charge any reasonably incurred costs and expenses arising from such delay. Such requests shall be submitted as a Change Control Notice.

8. WARRANTY

8.1 Capita warrants that:

- (a) the Equipment and Services shall materially conform to the Specification; and
- (b) the Equipment shall be free of material defects in design, materials and workmanship, shall be fit for their intended purpose which is made known to Capita by Customer or as stated in Schedule 2;
- (c) the Services will be provided with reasonable skill and care and warrants that the Services will be performed by suitably qualified personnel in a manner conforming to generally accepted industry standards and practices.

9. OWNERSHIP AND RISK

Legal and beneficial ownership of any hardware or other tangible elements used by Capita in provision of the Services shall at all times remain vested in Capita. The ownership of any Equipment supplied by Capita to Customer pursuant to Schedule 2 shall remain with Capita until such time that full payment of the Charges is made by

Customer and received by Capita. Risk in any Equipment supplied by Capita shall pass to Customer on delivery.

10. CUSTOMER DEPENDENCIES

Customer shall comply with each dependency as specified in the **Schedules** and acknowledges that the provision of such dependencies is important to Capita providing the Services in a timely and complete manner.

11. GENERAL

11.1 Notice and Changes: No communication from one party to another shall have any validity unless made or confirmed in writing. This Agreement shall not be varied or amended unless such variation or amendment is agreed in writing by a duly authorised representative of both parties in accordance with the formal Change Control Notice as set out in Annex 1.

11.2 Third Party Rights: Nothing in this Agreement is intended to confer any right or benefit on any third party or any right to enforce a provision contained in this Agreement and the Contracts (Rights of Third Parties) Act 1999 is hereby expressly excluded.

11.3 Assignment: Neither party shall assign or novate this Agreement or any part thereof without the prior consent in writing of the other party (such consent not to be unreasonably withheld or delayed), provided that Capita shall not require consent for any solvent assignment within the Capita Group of companies.

11.4 Force majeure: Neither party shall be liable to the other party for any loss, delay or failure arising as a result of any matter outside of its reasonable control, including but not limited to act of God, government act or intervention, fire, flood or other natural disaster, act of war or industrial dispute.

11.5 Governing Law: This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by and construed in accordance with English law and the parties submit to the exclusive jurisdiction of the English courts.

11.6 Dispute Resolution: In the event of any disagreement or dispute the parties shall seek to resolve the matter by discussions between the authorised representatives of each party. In the event that they are unable to resolve the disagreement or dispute in a reasonable period of time it shall be escalated for resolution to the parties' senior representatives. If the disagreement or dispute remains unresolved or if either party reasonably believes that it is unlikely to be resolved, the matter may, by agreement between the parties be referred to Mediation through the Centre for Effective Dispute Resolution (CEDR) Alternative Dispute Resolution (ADR) Process.

11.7 Entire Agreement: This Agreement and any Schedules shall together represent the entire understanding and constitute the whole agreement between the parties in relation to its subject matter and the parties agree that there are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the parties in connection with the subject matter of this Agreement except as specifically set forth herein and none of the parties has relied or is relying on any other information, discussion or understanding in entering into and completing the transactions contemplated in this Agreement.

11.8 Except as expressly set forth in this Agreement, all warranties, conditions, representations, statement, terms and provisions express or implied by statute, common law or otherwise are excluded to the fullest extent permitted by law.

11.9 Nothing contained in this Agreement shall be so construed as to constitute either party to be the agent of the other. This Agreement shall not operate so as to create a partnership or joint venture of any kind between the parties hereto.

11.10 If any term or provision in this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this Agreement but the validity and enforceability of the remainder of this Agreement shall not be affected. In the event of conflict the terms of this Agreement shall take precedence over the terms of any Schedule unless specified expressly in such Schedule.

11.11 The failure of either party to enforce any provision of this Agreement, or the failure of either party to exercise any right or remedy to which it is entitled hereunder, shall not constitute a waiver thereof and shall not prejudice any right of that party under this Agreement.

11.12 The rights and remedies provided by this Agreement are cumulative and, unless otherwise provided in this Agreement, are not exclusive of any right or remedies provided at law or in equity or otherwise under this Agreement.

11.13 This Agreement may be entered into in any number of counterparts each of which shall be deemed to be an original and which together shall comprise this Agreement.

12. ANTI-BRIBERY AND TAX EVASION

12.1 The parties shall not, and each party shall ensure that its staff shall not, induce, do or agree to do any other act, failure to act or thing in connection with this Agreement or any other agreement between any member of Capita and the Customer (including the performance or award of any such agreement), that contravenes any law or requirement of a regulatory authority relating to anti-bribery and corruption or anti-money laundering, or tax evasion, including:

- (a) The Bribery Act 2010, Companies Act 2006, Fraud Act 2006, Proceeds of Crime Act 2002, Criminal Finances Act 2017 and Theft Act 1968;
- (b) In the case of a Public Official, any law applicable to the Public Official in their capacity as such; and
- (c) The principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions signed in Paris on 17 December 1997, which entered into force on 15 February 1999, and the commentaries to it from time to time.

12.2 The Customer undertakes, warrants and represents that it shall maintain guidelines, policies, and procedures that are applicable to the Customer and Customer staff and are designed and intended to prevent them doing or failing to do any act or thing that contravenes any law or requirement of a regulatory authority relating to tax evasion, anti-bribery and corruption or anti-money laundering, including a gifts and entertainment policy requiring such persons not to accept, agree, authorise, give, offer, promise, request or undertake any Inducement (or to agree to do any of the same things) and procedures to prevent the facilitation of tax evasion whether in the UK or in any other jurisdiction.

12.3 The Customer agrees to notify Capita and confirm the same promptly in writing immediately upon discovering any instance where it has, or any Customer staff have, failed to

comply with any provisions of this clause 12 (Anti-Bribery and Tax Evasion).

12.4 Each party agrees to notify the other as soon as reasonably practicable upon becoming aware of any extortive solicitation, demand or other request for anything of value, by or on behalf of any person (including any Public Official) relating to this Agreement or its subject matter.

12.5 Upon reasonable request by Capita from time to time the parties shall meet to discuss, agree and document any additions or amendments to this Agreement that Capita considers appropriate or necessary to comply with the requirements of, and implement appropriate checks, controls, processes and procedures in relation to, the Bribery Act 2010, the Criminal Finances Act 2017 or any other law relating to tax evasion, anti-bribery and corruption or anti-money laundering.

12.5.1 The Customer shall promptly notify Capita in writing of such request; and

12.5.2 If Capita considers that the regulatory authority may be acting outside the scope of its lawful authority in making such request, Capita shall notify the Customer of the same and the parties shall promptly discuss and agree (acting reasonably) the relevant response to that regulatory authority, provided that if Capita wishes the Customer to cooperate with the request notwithstanding any considerations as to the scope of the regulatory authority's lawful authority, the Client shall comply with all instructions of Capita in relation to such request (subject always to the provisions of this Agreement).

Customer	Capita
Signed	Signed
Name:	Name
Title:	Title
Dated	Dated

Annex 1 Change Control Notice

1. Changes

- 1.1 The Change Control facility supports the addition of other software application modules, additional services or other changes to the Agreement without the need for a separate contract.
- 1.2 Where Capita or the Customer see the need for Change the Customer may at any time request, and Capita may at any time recommend, such Change and propose an amendment in accordance with the formal Change Control Notice (CCN) as set out in this Annex 1.
- 1.3 Neither Capita nor the Customer shall unreasonably withhold or delay its agreement to any Change.
- 1.4 No amendments or changes will be valid unless they have been agreed in writing on behalf of the Customer and Capita by their respective Authorised Officers.

2. Procedures

- 2.1 Capita and the Customer shall discuss the Change proposed by either Party and such discussion shall result in either:
 - (1) agreement not to proceed further, or
 - (2) in a written request for a Change by the Customer, or
 - (3) A recommendation for a Change by Capita.
- 2.2 Where a written request for a Change is received from the Customer, Capita shall, unless otherwise agreed, submit a Change Control Notice (CCN) to the Customer within three weeks in a form complying with the provisions of paragraph 2.4 below.
- 2.3 A recommendation for a Change by Capita shall be submitted as a CCN direct to the Customer at the time of such recommendation.
- 2.4 Each CCN shall contain:
 - (1) the title of the Change
 - (2) the originator and date of the request or recommendation for the Change
 - (3) the reason for the Change
 - (4) full details of the Change including any specifications and user facilities
 - (5) the price, if any, of the Change
 - (6) a schedule of payments, if appropriate
 - (7) a timetable for implementation together with any proposals for acceptance of the Change
 - (8) the impact, if any, of the Change.
 - (9) Change on other aspects of the Agreement including but not limited to:
 - (a) milestones
 - (b) plan
 - (c) the contract prices
 - (d) the overall payment schedule
 - (e) documentation
 - (f) contractual issues
 - (g) performance levels
 - (h) system configuration
 - (i) throughput
 - (j) resilience
 - (k) resources
 - (l) the date of expiry of validity of the CCN
 - (m) provision for signature by Capita and the Customer.

- 2.5 For each CCN submitted the Customer should, within the period of the validity of the CCN:
- (1) evaluate the CCN and as appropriate either:
 - (a) request further information, or
 - (b) approve the CCN, or
 - (c) notify Capita of the rejection of the CCN.
 - (2) if the CCN is approved, arrange for two copies of an approved CCN to be signed by or on behalf of the Customer and Capita, one copy to be retained by both parties.
- 2.6 Following the approval of a CCN by Capita and the Customer an amendment to the Agreement shall be entered into in accordance with the form set out below.
- 2.7 If a CCN is not approved or agreed by the authorised officers then the matter may be escalated within both organisations before recourse to any other solution

CHANGE CONTROL NOTICE [] TO THE AGREEMENT

DATED []

[] ("the Customer")

and Capita Secure Information Solutions Limited ("Capita")

This CHANGE CONTROL NOTICE is made on the ____ day of _____ between the Customer and Capita.

WHEREAS the Parties entered into a Product and Services Agreement (including all associated Schedules and annexes) for the Supply and Installation of the Integra Financials and e-Procurement Information System dated [] ("the Original Agreement") and now wish to amend the Original Agreement

IT IS AGREED as follows

1. With effect from the ____ day of _____ the Agreement shall be amended as set out herein.
2. Save as herein amended all other terms and conditions of the Agreement shall remain in full force and effect.

FOR AND ON BEHALF OF CUSTOMER:

FOR AND ON BEHALF OF CAPITA:

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Schedule 1 – Software Licence Terms (Incorporating Supply and Installation Services)

1 Licence, Supply & Installation

In consideration of the payment of the Charges Capita has agreed to provide a Licence for the Software, for use at the Facilities, upon the terms and subject to the conditions hereinafter contained. In addition, Capita has agreed to provide certain Services to the Customer. The Customer wishes to acquire from Capita the Software and Services described below, which include the implementation of the Software.

The following Annexes shall form part of this Schedule 1:

Annex 1:	Software
Annex 2:	Services
Annex 3:	Hardware/Operating System Equipment
Annex 4:	List of Customer Facilities
Annex 5:	Charges and Payment Terms
Annex 6:	Supporting Documentation

2 Definitions and Interpretation

For the purpose of this Software Licence Agreement, the following terms are defined:

- 2.1.1. "Schedule 1" means this document and all of the attached Annexes;
- 2.1.2. "Authorised Persons" means the authorised officers of Capita or the Customer;
- 2.1.3. "Charges" means the charges/prices as set out in Annex 5;
- 2.1.4. "Commencement Date" means the date of commencement of the delivery of Services for implementation of the System;
- 2.1.5. "Date of Installation" means the date that the Software is initially loaded on to the Hardware/Operating System Equipment in any of the Facilities;
- 2.1.6. "Effective Date" means the date of signature of this Agreement;
- 2.1.7. "Facilities" means any premises operated by the Customer as listed in Schedule 4 for which the Software is provided;
- 2.1.8. "Go-Live Date" means the date on which the System or any part thereof is used by the Customer for the processing of live data;
- 2.1.9. "Hardware/Operating System Equipment" means the computer server and its requisite operating system programmes and devices, which together form a definitive environment upon which the Software is to be installed for use by the Customer at the Facilities and which shall meet Capita's minimum specification as detailed in Annex 3. This may comprise more than one computer server or a networked environment for performance or resilience purposes;
- 2.1.10. "Information" shall mean confidential information concerning the business and affairs of Capita and the Customer;
- 2.1.11. "Intellectual Property Rights" means any copyright, patent, registered design, trademark, database and/or other intellectual property right of whatever nature subsisting anywhere in the world;
- 2.1.12. "Licence" shall mean permission granted by Capita to Use the Software in accordance with Clause 3 of this Schedule 1;
- 2.1.13. "Module" shall mean a set of programs containing functionality which, when operated together, address a specific need;
- 2.1.14. "Network" means the active communications equipment and cabling required at the Customer's Facilities to allow communications between computer servers and personal computers and printers;

- 2.1.15. "New Facilities" shall mean Customer's premises not existing at the Effective Date;
- 2.1.16. "Party"/"Parties" means the Customer and/or Capita;
- 2.1.17. "Payments" shall mean monies due to Capita as indicated in Annex 5;
- 2.1.18. "Plan" shall mean the Project Implementation Plan or Implementation Plan as agreed by Capita and the Customer;
- 2.1.19. "Published Specifications" means the user manuals relating to the Software at the Effective Date;
- 2.1.20. "Project Team" means the group of personnel with overall responsibility for the project;
- 2.1.21. "Project Initiation Meeting" shall mean the first formal meeting to kick-off the project;
- 2.1.22. "Annex" means Annex 1: Software, Annex 2: Services, Annex 3: Hardware/Operating System Equipment, Annex 4: List of Customer Facilities, Annex 5: Charges and Payment Terms, Annex 6: Supporting Documentation attached to this Schedule 1;
- 2.1.23. "Services" shall mean the installation and implementation services provided by Capita as described in Annex 2;
- 2.1.24. "Software" means Capita's software product(s) as described in Annex 1;
- 2.1.25. "Software Materials" means the Software and the Published Specifications;
- 2.1.26. "Software Licence Agreement" means this Schedule 1 for the Supply and Installation of Integra and all its attached schedules and annexes;
- 2.1.27. "Software Support Agreement" shall mean the agreement between Capita and the Customer for support and maintenance of the Software which is set out in Schedule 2 to this Agreement;
- 2.1.28. "Specification" shall mean the Published Specifications in conjunction with the documentation listed in Annex 6 that describes Capita's commitments to deliver against the Customer's specified functional requirements together with the Plan and the Software Support Agreement.
- 2.1.29. "Sub-Contractor" shall mean suppliers contracted by Capita or the Customer in the execution of this Schedule 1;
- 2.1.30. "System" shall mean, collectively, the Software Materials and Hardware/Operating System Equipment for use at the Facilities;
- 2.1.31. "Third-Party" shall mean suppliers of non-Capita Software;
- 2.1.32. "Use" means the right of the Customer to load, execute, store, transmit, data process, display and copy (for the purposes of loading, execution, storage, transmission or display) the Software for purposes of processing the Customer's data at its Facilities. The Customer shall have no right to reverse assemble, reverse compile, decode or otherwise translate the Software;
- 2.1.33. "Web User" means any users accessing the Software via a browser as identified in Annex 1.

To the extent that there is an inconsistency between the terms of this Schedule 1 and the Software Support Agreement in Schedule 2, the terms of this Schedule 1 prevail.

3 Grant of Licence

- 3.1 Subject to the Customer paying the Charges in accordance with paragraph 5 and Annex 5 of this Schedule 1, Capita hereby grants to the Customer a non-exclusive, non-transferable, perpetual Licence to Use the Software Materials on the Hardware/Operating System Equipment and at the Facilities subject to the terms and conditions of this Schedule 1. Use of the Software within the Facilities is restricted based on the licence numbers shown in Annex 1 and on the Database specified in Annex 3 and is strictly for the normal internal business purpose of the Customer. Should the Customer require more than one copy of the Software then the Customer will be responsible for Capita labour costs involved and the Software Support Agreement will be amended to reflect the additional cost of supporting multiple copies of the Software. The Customer will also be responsible for all Third-Party costs involved.
- 3.2 Within a reasonable time from the Effective Date Capita shall deliver to the Customer one copy of Software.
- 3.3 Unless agreed otherwise, purchase orders received from the Customer for further Software, subsequent to Schedule 1, will be construed as being governed by the terms of this Schedule 1.

4 Services

- 4.1 Capita will provide Services to the Customer in accordance with Annex 2 of this Schedule 1.

5 Contract Price and Payment Terms

- 5.1 The Customer shall pay to Capita the Charges, in accordance with the terms of Annex 5.
- 5.2 All Payments due to Capita from the Customer shall be made in accordance with the payment terms set forth in Annex 5, in full and on time, within thirty (30) days of the date of a valid invoice, without set off or deduction.
- 5.3 If the Customer fails to make any payment on its due date and in accordance with paragraph 5.2 in respect of any payment or invoice not in dispute (or payment of the undisputed amount on the due date therefore if part of the invoice is in dispute), Capita shall be entitled to:
- 5.3.1 charge the Customer interest thereon at the rate of four (4) per cent per annum over Lloyds Bank plc's base rate from time to time both before and after judgment, calculated on a daily basis; and
 - 5.3.2 with prior notification, to suspend the provision of any further Services which Capita is due to provide to the Customer until payment is received in full; and/or
 - 5.3.3 serve written notice on the Customer requiring the Customer to make the overdue payment within thirty (30) days.
 - 5.3.4 subject to giving the Customer 30 days written notice, repossess the Software and the Customer irrevocably agrees to allow Capita to enter upon the premises concerned for such purpose.
- 5.4 If the Customer fails to comply with any notice served in accordance with paragraph 5.3.3 the Capita shall be entitled to terminate this Agreement with immediate effect.
- 5.5 The Charges are stated exclusive of VAT or other government excise or sales duties and taxes in force from time to time, which shall be added at the prevailing rate as applicable and paid by the Customer following delivery of a valid VAT invoice.
- 5.6 Capita reserves the right to charge for the provision of any additional services required as a result of the failure by the Customer to meet its obligations as set out in any agreed Plan or in paragraph 6 below.
- 5.7 In the event that the Customer needs to postpone any agreed date(s) for any reason other than Capita's default, then the payment terms set out in Annex 5 shall continue to apply in relation to the previously agreed milestone target dates unless otherwise agreed in writing between the Parties.
- 5.8 Unless stated to the contrary in Annex 5 all reasonable expenses incurred by Capita shall be reimbursed at cost by Customer.

6 The Customer's Responsibilities

- 6.1 It is the responsibility of the Customer to supply sufficient Hardware/Operating System Equipment to allow the Software to operate at the Facilities. Capita will provide the Customer in writing with recommendations in respect of the Hardware/Operating System Equipment requirements based on the volumes and expected growth estimates provided by the Customer to the Capita.
- 6.2 It is the responsibility of the Customer to have a suitable Network installed and supported at each of the Facilities.
- 6.3 It is the responsibility of the Customer to pay all costs relating to hardware, equipment, system interfacing, data migration and for the provision and costs of Third Party / Sub-Contractor Software not listed as a deliverable item in Annexes 1 or 2.
- 6.4 The Customer and Capita will agree and produce a detailed Plan within four weeks after the Project Initiation Meeting, which will be held within four weeks after signing this Agreement. Each Party will be responsible for assigning its resources to the specified tasks in the Plan to the timescales identified. No other work will commence until the Plan is agreed and produced.
- 6.5 During the continuance of this Schedule 1:

6.5.1 the Customer shall inform Capita in writing as soon as is reasonably practicable following its having become aware of any loss of or damage to the System, or any part thereof; or if it becomes aware of any unauthorised use of the whole or any part of the Software Materials by any person.

6.5.2 the Customer shall keep the Software Materials at the Facilities.

- 6.6 The Customer hereby assumes and bears the entire risk for any event that results in the loss, theft, damage, destruction or acquisition of the Hardware/Operating System Equipment during the continuance of this Schedule 1. No such event shall relieve the Customer from its obligations to make Payments or to perform any other obligations under this Schedule 1, except if this Schedule 1 terminates pursuant to paragraph 3 of the Product and Services Agreement. Following the giving of notice of any such events (and provided that the loss, damage or destruction of the Hardware/Operating System Equipment shall not be attributable to any breach of this Schedule 1 or the Software Support Agreement by Capita) the Customer shall pay to Capita all remaining Payments as defined in Annex 5 in line with the defined milestones.
- 6.7 The Customer shall not sell, transfer, let, hire, dispose of, sub-license or part with the Software or any part thereof, or charge or use as security in any way the benefit of this Schedule 1, nor permit and/ or attempt to do any of these things.
- 6.8 The Customer shall allow Capita access to inspect the System on reasonable notice and at reasonable times.
- 6.9 The Customer shall ensure that the Software shall only be operated for the purpose of the lawful pursuit of the Customer's business activities. The Customer shall ensure that its employees shall abide by the terms and conditions of this Schedule 1 with regard to the Use of the Software.
- 6.10 The Customer shall ensure that the Software shall not be operated by any other party without the prior written permission of Capita. The Customer is specifically prohibited from allowing the Software to be used in a bureau computer service.
- 6.11 The Customer shall be entitled to copy the Software in order to create an archival copy and a back-up copy of the same. Such copies and the media on which they are copied on to shall be the property of Capita and when copying the Software, the Customer shall include all original machine-readable copyright notices. The Customer shall maintain an accurate record of all copies made. No copies may be made of the Published Specifications without the prior written consent of Capita.
- 6.12 Save as permitted by law or set out herein, the Customer shall not, shall not permit and/ or attempt to make any modifications, alterations, additions or enhancements to the Software without Capita prior written consent, and/ or shall not, shall not permit and/ or attempt to decompile or reverse engineer the Software Materials or allow any Third Party to do the same.
- 6.13 It is the responsibility of the Customer to purchase sufficient Capita Services to ensure successful implementation.
- 6.14 The Customer acknowledges that it is licensed to use the Software Materials only in accordance with the express terms of this Schedule 1 and the Agreement and not further or otherwise.
- 6.15 The Customer shall not use the Software to host systems or services as envisaged by this Schedule 1 for any third party. The Customer shall notify Capita immediately in writing if the Customer becomes aware of any unauthorised use of the whole or any part of the Software Materials by any person.
- 6.16 The Customer shall affect and maintain adequate security measures to safeguard the Software Materials from access or use by any unauthorised person.
- 6.17 It is the responsibility of the Customer to ensure that its staff at the Facilities are aware of the terms of this Schedule 1, including but not limited to those relating to use, copying, protection of Capita Intellectual Property Rights and the Software Support Agreement and access by third party entities.

7 Ownership

- 7.1 Capita warrants that it is the proprietor or exclusive licensee of the Software and has acquired all necessary rights and permissions to grant a Licence for the use of the Software to the Customer.
- 7.2 The Customer shall not acquire any title, Intellectual Property Rights or other proprietary rights in any of the Capita's Software Materials, including in any enhancements, adaptations or modifications made by Capita.
- 7.3 The Customer agrees not to remove, or in any way modify, or misuse any proprietary marking including any trademark or copyright notices on or in the Software or its carrier medium.
- 7.4 The Customer agrees that it has no right to mortgage or charge the Software or use the same as surety or collateral.
- 7.5 In addition, the Capita warrants and represents that:
 - 7.5.1 it has full capacity and all necessary consents to enter into and to perform the Agreement and that this Agreement is executed by a duly authorised representative of the Capita;
 - 7.5.2 the Service shall be supplied by appropriately experienced, qualified and trained personnel with all reasonable due skill and care.
- 7.6 Capita shall not be liable for any failure by the Customer to keep full and up to date security copies of the Software Materials or data, or other loss resulting from a failure by the Customer to comply with the terms of this Schedule 1.

8 Transferability

Temporary transfer

- 8.1 The Software is supplied for use on the Hardware/Operating System Equipment. The Customer may transfer the Software to alternative hardware/operating system equipment for emergency back-up purposes should the Hardware/Operating System Equipment become unusable. The Customer agrees to notify Capita, in writing, within seven days of this event occurring.
- 8.2 The Customer will continue to be bound by the provisions of this Software Licence Agreement and to protect Capita Intellectual Property Rights in the event of such a transfer. After the cause of the temporary emergency transfer has been rectified and the Hardware/Operating System Equipment is usable, the Software must be returned forthwith to the Hardware/Operating System Equipment. The Customer agrees to return to Capita or to destroy all copies of the Software that were transferred to or generated by the temporary computer equipment.

Permanent transfer

- 8.3 In the event that the Customer acquires a new computer to replace or upgrade the Hardware/Operating System Equipment, the Customer may transfer the Software to the new equipment without payment of further licence fees to Capita, providing that the Software operates in that environment without alteration. However, the Customer shall be liable for any Third Party or Sub-Contractor charges payable as a result of permanent transfer. The Customer agrees to notify Capita, in writing, not less than thirty days prior to such a transfer.
- 8.4 The use of the Software Materials on temporary or replacement equipment or a new computer/equipment shall be at the sole risk and responsibility of the Customer and Capita shall incur no liability in relation thereto.

ANNEX 1 Software

- 1.1 A non-exclusive, non-transferable, perpetual Licence will be provided to the Customer to Use the Software on the Hardware/Operating System Equipment at the Facilities.
- 1.2 The number of users within the Facilities who may use the Software will be limited by the number of users shown at 1.4.
- 1.3 The Software version will be the latest release at the Effective Date of this Schedule 1.
- 1.4 Licences will be provided for fifty (50) professional users of the System with up to an additional two hundred (200) self-service users. The following Software will be provided:

Reference	Integra Application Software Licences
NML	General Ledger
BDMEXT	Budget Modelling
FAM	Fixed Assets
PRL	Purchase Ledger
RSS	Purchase Ordering
IDM	Integra Document Manager
SOP	Sales Order Processing
SLS	Sales Ledger
CMS	Cash Management
SMS	Stock Management
IAS	Invoice Approval
IBI	Integra Business Intelligence
ICE	Integra Catalogue Expert
ASD	Authorised Signatory Database
DRM	Dynamic Records Manager
MOB	Integra Mobile
EME	Employee Expenses
eFORM	eForms
PCI	Payment Card Interface
GGI	Government Gateway Interface
EMR	e-Mail Reader
IIG	Integra Integration Gateway
eLearning	
Integra Basics	
Ordering	
Invoice Approval	
Employee Expenses	
Sales Ledger Invoice & Credit Notes	

- 1.5 The following Third-Party Software will be provided:

Third Party Software Licences	
SAP Crystal Reports	Five (5) Reports Professional users
SAP Crystal Reports	Crystal Reports Embedded

ANNEX 2 Services

1. General

- 1.1. Capita shall provide the Services specified in this Annex 2 to the Customer as part of the Software Licence Agreement contained in this Schedule 1, such Services to be provided at the Facilities, for the number of days and at the Charges specified herein.
- 1.2. The fixed price Services provided by Capita include all Capita resources required to deliver the Software in accordance with this Agreement. For the avoidance of doubt Capita is not responsible for the coordination or interface of the agreed Specification and Plan with any other procurement, project or programme of work. Should the Customer reasonably request additional resources (project management, consultancy, training etc) Capita shall make such additional services available at the agreed rates in Annex 2 at paragraph 8.
- 1.3. Where an interface to a Third-Party product is to be supplied by Capita as set out in Annex 1 paragraph 4, the Customer will ensure that the Third-Party (i) co-operates with Capita, (ii) provides reasonable information required by Capita (including, but not limited to the specifications of such interface) and (iii) adheres to timescales reasonably required by Capita. The Customer agrees that Capita shall not be responsible for any delays or inaccuracies introduced to the project through the actions or omissions of any third party and further agrees to pay any additional costs incurred by Capita as a result of such action or omission.
- 1.4. In the event that the Customer needs to postpone any agreed date(s), for any reason, then the payment terms set out in Annex 5 paragraph 5.2 shall continue to apply in relation to the previously agreed milestone target dates unless otherwise agreed in writing between the Parties.
- 1.5. Capita reserves the right to charge for the provision of any additional services required as a result of the failure by the Customer to meet its obligations as set out in any agreed Plan.
- 1.6. Capita will provide the following implementation Services to the Customer as part of this Software Licence Agreement:

Professional Services	
Implementation Consultancy Stages	Days
Planning & Setup	22
Project Team Training	44
User Acceptance Testing Support	24
Production Build	13
Go Live	3
Total Professional Services:	106
Project Management	Months
Planning	1
Lifetime of Project	6
Post Go Live	1
Total Project Management:	8

On completion of each Implementation Consultancy Stage ("Stage") the Customer will be required to confirm acceptance in writing before the commencement of the next Stage. In the event that Capita does not receive written confirmation of acceptance from Customer within 7 days of completion by Capita of a Stage then that Stage will be deemed accepted by Customer.

2. Planning & Setup

After the Customer has installed the servers on the network Capita will complete the installation of the required Software onto the server.

A Key Decisions document will be completed by Capita's Project Manager and Customer's assigned project team members. The Customer will sign off the Key Decisions document before work can start on the configuration of the Software.

The Customer will prepare spreadsheets populated with the data that is required to be uploaded into the Software during the System build process.

The Customer will be responsible for completing any necessary data cleansing prior to upload.

The final stationery outputs will be designed by the Customer.

Where a number of interfaces are required, a Key Decisions meeting will be completed to set out the detail of the interfacing requirements. Sample interface files will be supplied to Capita by the Customer. The format of the test files will be reviewed, amended and tested until they meet the interfacing requirements of the System.

The interface software will be configured and the nominated team members will be trained accordingly.

3. Project Team Training

Capita will deliver training using a 'Train the Trainer' approach. Capita will provide training to the team and key users.

The training will consist of classroom based training to the Customer for the project team or delegated super users for each module area. This will be carried out on-site and using the Customer's own data. There will be a maximum of eight delegates in any training session.

After training has been delivered, the Plan will include for a period of self-learning by the delegates on the test/prototype system. Post training needs are supported by user manuals, comprehensive on-line help and access to Capita's website knowledge base.

Training will also include the administration tasks and reporting tools.

4. User Acceptance Testing Support

User acceptance testing of the System will be completed by the Customer. The User Acceptance Tests will be signed off as accepted before the project proceeds to the next Stage of the Plan.

The Customer will arrange testing and provide any testing materials required. The tasks and timescales for testing will be embedded into the Plan as well as the required consultancy support by Capita's consultant

5. Production Build

Capita will install and complete a review of the Software in the LIVE environment (LIVE). The Customer will provide sign off of the architecture.

Capita will support the Customer's System Administrator to configure LIVE.

It is the responsibility of the Customer to extract transaction data from the outgoing system and to prepare the spreadsheet templates, provided by Capita.

The Customer will perform all data cleansing, manipulation, check accuracy, validity, and quality assurance.

6. Go Live

Capita will support the Customer in performing a full, and final, system health-check, including a reconciliation of closing positions on the previous system and opening positions on the new system.

On completion and approval by the Customer, commencement to Go Live will proceed.

The Customer will communicate any information relating to go live to the relevant stakeholders.

Upon acceptance of the Live system by the Customer, the final project tasks, including post project review, sign off and handover will be completed.

Capita will supply a consultant to assist with any Go Live snagging issues on the day of Go Live and on agreed dates following Go Live.

7. Project Management

A Project Initiation Meeting will be set up to discuss and agree the main project framework. The meeting will appraise the following areas: -

- the Project Business Case or Project Initiation Document (PID)
- team roles and responsibilities
- distribution of key contact details
- overview of deliverables
- confirm project scope
- key timescales and milestones
- draft project documentation such as outline project plan
- risk register and issues log

Capita's project manager will ensure that certain project related activities are conducted throughout the life of the project.

These include:

- Regular Board and Team Meetings
- Project Communication
- Business Process Review

Capita's project manager will plan these with the Customer during the project initiation.

8. Services

The Services described above will allow for the implementation of the Software at the Facilities listed in Annex 4. The approach to training will be "train the trainer" and will be carried out at a single location in line with the Plan. The number of days for Professional Services specified in the above table will not necessarily all be provided on-site, but will be utilised as part of the overall implementation service. Should the Customer require further Professional Services from Capita to roll-out the Software then Capita's daily rate of £950.00 will be maintained for any supplementary days requested by the Customer for a period up to six months after "go-live". Thereafter Professional Services will be charged at its then prevailing rates.

For project management, any additional support over and above the details at Annex 1 Paragraph 1.6 will be chargeable at a monthly rate of £3,200.00 to a maximum of 6 months after "go-live". Thereafter Professional Services will be charged at its then prevailing rates.

9. Software Support

The Software Support Service is detailed within the Software Support Agreement.

ANNEX 3 Hardware/Operating System Equipment

- 1.1 The Customer will be responsible for the provision, installation and cost of all Hardware and Operating System Equipment and communications Networks.
- 1.2 Third Party software is licensed for a single computer server within this Software Licence Agreement.
- 1.3 The minimum equipment specifications to support the effective operation of the Software licences/configuration described in Schedule 1 are: -

1.3.1 Servers

Database Server Specification	
Operating System	
Database	
CPU	
RAM	
Drives	
Application Server Specification	
Operating System	
CPU	
RAM	
Drives	
Web Server Specification	
Operating System	
CPU	
RAM	
Drives	

These are the required minimum specifications at the date of signature

1.3.2 User PCs

Client Server thick clients	
Operating System	
CPU	
RAM	
Drives	
eSeries web access	
Browser	

These are the required minimum specifications at the date of signature

ANNEX 4 List of Customer Facilities

1.1 The Software is licensed for use in the following Customer Facilities:

ANNEX 5 Charges and Payment Terms

1. Charges

Integra Application Software Licences	Price
As described in Schedule 1 of this Schedule 1	
Client Server licence for fifty (50) concurrent users	
eSeries licence for two hundred (200) Web Users	
Systems licence	
eLearning	
Total Application Software Licences:	
Third Party Software Licences	Price
As described in Annex 1 of this Schedule 1	
Crystal Reports	
Total Third-Party Software Licences:	
Professional Services	Price
As described in Annex 2 of this Schedule 1	
Technical Consultancy	
Business/Application Consultancy	
Training	
Project Management	
Total Professional Services:	
Summary	Price
Total Application Software Licences	
Total Third-Party Software Licences	
Total Professional Services	
Project Total:	

2. Payment Terms

Ref	Milestone	Amount	Target Date
5.2.1	Effective Date		
5.2.2	Commencement Date		
5.2.3	System design completion		
5.2.4	Test system build completion		
5.2.5	UAT completion		
5.2.6	Go Live Date		
5.2.7	System acceptance		

3. Payment of Invoices

- 3.1 All invoiced payments shall be made within thirty (30) days of the date of a valid invoice.
- 3.2 Late payments shall be charged interest at the rate of 4% per annum over the Lloyds Bank plc's base rate from time to time.

4. Third Parties

For the avoidance of doubt, all Third-Party costs, Hardware / Operating System, and any other tasks not included in this Schedule 1 will be the responsibility of the Customer.

5. VAT

All Prices/Charges are in pounds Sterling and exclusive of VAT which shall be charged at the prevailing rate.

6. Expenses

All Prices/Charges are in pounds Sterling and exclusive of expenses which shall be charged for all on-site activity. For the avoidance of doubt accommodation/dinner shall be charged at £100 per night and travel will be charged from Letchworth to client site at 50p per mile at every intervention the consultant visits the client site.

ANNEX 6 Supporting Documentation

Document 1

Title:	
Reference:	
Section:	
Date:	

Document 2

Title:	
Reference:	
Section:	
Date:	

Document 3

Title:	
Reference:	
Section:	
Date:	

For the avoidance of doubt any Licences, pricing and payment terms within any of the documents listed above and attached to this Annex 6 are superseded by Annexes 1 to 5 of this Schedule 1.

Schedule 2 – for Software Support Terms

1. Definitions and Interpretation:

Meanings for any defined terms used in this Schedule 2 which are not listed below in this clause 2 are set out in the Schedule 1 of the Agreement and shall have the same meaning ascribed to them thereto.

1.1 Definitions

- 1.1.1 'Effective Date' means the date on which the support services shall commence and is the date specified in this Schedule 2;
- 1.1.2 'Expiry Date' means the date on which the support services shall cease to be provided to the Customer subject to the extension options defined in this Schedule 2;
- 1.1.3 'Help Desk' means the Capita customer services support team;
- 1.1.4 'Initial Period' means the elapsed period between the Effective Date and the Expiry Date;
- 1.1.5 'Initial Response' means proof of the Capita assessment of the problem, and definition of a proposed solution by the Capita.
- 1.1.6 'Target Resolution' means as an interim solution to a problem, supplied to the Customer's premises to enable continuation of the Customer's business.
- 1.1.7 'Formal Resolution' means as a permanent solution to a problem agreed with the Customer and/or supplied to the Customer.
- 1.1.8 All times commence upon receipt by the Capita of notification from the Customer and continue during the hours for which Support Services are provided.
- 1.1.9 'Latest Release' means a new release or version of the Software incorporating mandatory enhancements of the Software;
- 1.1.10 'Software Support Agreement' means this Schedule 2;
- 1.1.11 'Support Fee' means the Annual Software Support Fees, stated in this Schedule 2, which shall be payable by the Customer to Capita in consideration for the Support Services pursuant to this Schedule 2 and in accordance with clause 6 of this Schedule 2;
- 1.1.12 "Software Support Services or Support Services" means the support services as hereinafter set out which shall be provided pursuant to this Schedule 2;
- 1.1.13 "Upgrades" shall mean enhancements to the Software;
- 1.1.14 'Web Support Service software' means the on-line incident management software available to the Customer nominated users via Capita's website;

2. The Services

Software:	Integra which is subject to the Schedule 1 -Software Licence Terms and which shall be made available to Customer (on request) in addition to this Schedule 2 – Software Support Terms
Effective Date:	XXXXXX
Expiry Date:	XXXXXX
Initial Period:	XXXXXX
Annual Software Support Fee:	XXXXXX which shall be revised annually from the first anniversary of the agreed Effective Date and on each subsequent anniversary in accordance with paragraph 4.2 of this Support Agreement
Payment date:	Annually in Advance from the Effective Date.
Number of concurrent users:	XXXXXX
Hours for support service:	08:30 – 18:00 Monday to Friday excluding English Bank Holidays

This Schedule 2 shall commence on the Effective Date and, unless earlier terminated in accordance with paragraph 3 of the Product and Services Agreement, shall continue for the Initial Period. At the expiry of the Initial Period, this Schedule 2 shall automatically renew for successive periods of twelve (12) months, unless or until terminated by either party, either in accordance with paragraph 3 of the Product and Services Agreement or by giving not less than six (6) months' prior written notice to the other party such notice capable of being served at any time but not to expire earlier than the expiry of the Initial Period or any subsequent twelve (12) month period.

3. Support Services

Subject to Customer paying all sums due for the Support Services under this Schedule 2, Capita will provide to the Customer, in respect of the Latest Release and the immediately preceding version, the Support Services as set out in the remainder of this paragraph 3, and references to Capita shall include reference to Capita authorised provider of the Support Services.

3.1 Application Support

3.1.1 There will be made available, during the hours set out in paragraph 2 and against the Service Levels set out in paragraph 8 of this Schedule 2, duly qualified staff to deal with any queries or problems communicated by the Customer's representatives by telephone or in writing in accordance with paragraph 5.4.4. With the prior written agreement of Capita, Support Services will be made available outside of the hours set out in paragraph 2 at Capita then current rates.

3.1.2 The Help Desk is available on

Telephone: +44 (0) 1462 476810

Fax: +44 (0) 1462 476811

e-Mail: selfservice@capita.co.uk

Web: www.capita-ibs.co.uk

3.1.3 When calling the Help Desk, the customer representative shall have available the following information which will assist Capita when responding to the enquiry:

- nature of problem;
- level of problem as defined in Schedule 2 of the Support Agreement;
- events leading up to the problem.
- Version number
- Appropriate screen shots

3.1.4 Capita will use commercially reasonable efforts to respond promptly to requests for assistance, to communicate with the Customer's help desk by telephone and to carry out such work (including but not limited to the production and supply of workarounds and fixes) as may be required in the reasonable opinion of Capita to continue its use of the Software.

3.1.5 The level of problems and their target response, workaround and resolution times are defined in Service Levels clause of this Schedule 2.

3.1.6 Capita, at its option, shall send duly qualified staff to the premises of the Customer, in order to resolve any queries or problems which it is not able to resolve remotely.

3.2 Modifications and enhancements requested by the Customer are not covered by this Schedule 2, but shall be documented following the Change Control Notice Procedure in the Agreement when requested by the Customer.

3.3 Remote Support Services

3.3.1 Capita will maintain an up-to-date copy of the Software and associated documentation at its support centre.

3.3.2 Capita will at its discretion use its own computer facilities for the purposes of investigating and correcting any faults.

4. Charges

- 4.1 The Customer agrees that, in consideration of the Support Services provided under this Schedule 2, the Customer will pay the Support Fees as set out in paragraph 2 of this Schedule 2.
- 4.2 The Support Fees shall be subject to a 3% price increase annually from the first anniversary of the agreed Effective Date and on each subsequent anniversary.
- 4.3 The Support Fees do not include charges in respect of all out-of-pocket expenses and costs of materials incurred in providing the Support Service, including travel expenses, in the event that Capita has resolved issues that have been caused by the Customer. For the avoidance of doubt accommodation/dinner shall be charged at £100 per night and travel will be charged from Letchworth to client site at 50p per mile at every intervention the consultant visits the client site.
- 4.4 In the event the Customer fails to pay the Support Fees within 60 days of invoice Capita may suspend the Support Service until payment is received.

1. The Customer's responsibilities

- 5.1 The Customer undertakes to:
 - 5.1.1 use the Software correctly in accordance with the agreed specification
 - 5.1.2 not allow any persons other than Capita, its authorised representatives, Capita's Sub-Contractors, or agents to modify, alter or enhance the Software;
 - 5.1.3 notify Capita promptly if the Software is not operating correctly.
- 5.2 If personnel of Capita work on the Facilities, the Customer shall ensure that such personnel are provided, without charge, with suitable office accommodation and services, including telephone, facsimile and photocopying facilities. Such accommodation and services shall be readily accessible to any required computing facilities.
- 5.3 The Customer shall to the extent to which it is so permitted provide Capita promptly with (and warrants that it is entitled so to do) accurate and complete information concerning its operations and activities relevant to the Support Services, answers to queries, decisions and approvals required by Capita in connection with the Support Services.
- 5.4 For so long as the Customer requires Support Services the Customer shall:
 - 5.4.1 install Latest Releases and Software Upgrades and corrections as soon as practical and always within a timescale that will ensure that only the most recent Latest Release or the immediately preceding Latest Release are in use at any time.
 - 5.4.2 not permit anyone other than Capita to provide any Support Services;
 - 5.4.3 report suspected errors promptly to Capita and co-operate in efforts to provide a remedy including making skilled staff and necessary facilities (such as, but not limited to, telecommunications facilities) available to Capita free of charge;
 - 5.4.4 ensure that a fully trained member of its staff will review the nature of all calls for technical advice prior to placing a problem with Capita.
 - 5.4.5 following the delivery of corrections or technical improvements, test the same before using the Software as so modified for the processing of live data.
 - 5.4.6 upon receipt of Capita reasonable request, supply to Capita such information in respect of the technical environment currently in use at the Facilities as Capita may require.

6. Warranty

- 6.1 Capita warrants and represents that the Support Services will be performed by persons exercising skills appropriate to their function. Capita will use commercially reasonable endeavours to re-perform faulty work undertaken by Capita, which results from a failure to exercise such skills and which is reported to the Capita, in writing, within one month after performance by Capita of such work or as otherwise agreed between the parties.
- 6.2 If a warranty claim is found upon investigation not to be within Capita responsibility under paragraph 6.1, Capita may charge the Customer in accordance with paragraph 4 as if the Customer had requested services which do not form part of the Support Services.
- 6.3 Capita shall not be liable under paragraph 6.1 to remedy any defect or default arising from or caused by any change made to any part of the Software (including data structure) or the computer and related operating system on which the Software runs by persons other than Capita and its authorised representatives.

7. Exclusions

- 7.1 Support Services shall not include services in respect of:
 - 7.1.1 any defects or errors resulting from modifications to the Software Materials by any person other than Capita;
 - 7.1.2 remedial action required to any version of the Software Materials other than the most recent Latest Release and the immediately preceding Latest Release;
 - 7.1.3 fixes required to any version of the Software Materials other than the most recent Latest Release
 - 7.1.4 incorrect or improper use of the Software Materials

8. Service Levels

Levels of problem

Level	Category	Initial Response	Target Resolution	Formal Resolution
1	Critical	1 hours	1 day	2 days
2	Major	4 hours	2 days	5 days
3	Minor	4 hours	10 days	Next or Future Release
4	Cosmetic	4 hours	20 days	Future Release

Categories

Level 1 – Critical Fault

The problem will be defined as Level 1 when it:

- prevents installation of one or more Software modules.
- causes the Software or operating system to fail completely.
- requires constant restarting of the Software and/or operating system.

Level 2 – Major Fault

The problem will be defined as Level 2 when it:

- severely degrades performance of the Software or hardware.
- places a material restriction on a function.

Level 3 – Minor Fault

The problem will be defined as Level 3 when it:

- causes a non-critical function to limit the performance or functionality of the Software.
- is a minor fault.

Level 4 – Cosmetic Fault

The problem will be defined as Level 4 when it is:

- cosmetic to the operation of the System or its supporting documentation.

Escalation

Level 3 faults may be escalated to Level 2 at the request of the Customer if any stated time is not achieved.

Level 2 faults may be escalated to Level 1 at the request of the Customer if any stated time is not achieved.

If a Level 1 Response Time is not achieved, the problem may be escalated to the Capita Customer Services Manager.

If a Level 1 Workaround or Resolution is not achieved, the problem may be escalated to the Capita Customer Services Manager and then the Head of Professional Services and staff shall be allocated to the Customer's site as soon as is practically possible. The target is for a Capita staff member to be on site the next working day.

Schedule 3 – Hosted Managed Service Terms

Capita's Software comprises of a selection of application modules together with supporting utilities as listed in the Schedule 1 - Software Licence Terms.

3.1.2 Application design

In accordance with Capita's Software documentation. The Software documentation is provided electronically as part of the software supplied.

3.1.2.1 User interfaces

The End Customer will utilise a browser interface.

3.1.2.1 Data capture

Data capture (data entry) will be performed by the Customer's personnel utilising Capita's Software provided.

3.1.2.2 Data validation

Data validation is performed at the point of entry against reference data held within the system and/or against column rules, e.g. numeric characters only.

3.1.2.3 Reporting

Crystal and xQuery will be utilised for reporting. Standard reports are provided as part of the application

3.1.2.4 Application access and security

Access to the application will be controlled through user logins and the use of the Integra security module.

3.1.3 Detailed functional description

3.1.3.1 Detailed Functions

In accordance with the systems operational manual and all agreed bespoke additions and amendments.

3.1.4 System functions

3.1.4.1 Compatibility and inter-operability

Interfaces of data to and from third party systems can be achieved through the provision of standard or bespoke interfaces.

In all instances, an assumption has been made that the Customer will present a file to Capita in an agreed format which will then be used as the basis for the Interface.

3.1.4.2 System management

I. Backup.

Back up procedures will be automated, and should be run outside normal working hours to achieve a full backup of files.

II. Data security/Integrity.

Access to the system, both for enquiry and for update, will be strictly controlled. Each user will have a unique identifier which will restrict their access to all except their authorised enquiry/update requirements.

The system is ISO27001 accredited and Capita will make the outcome of any audit available to the Customer on request.

All passwords will be encrypted on the system.

III. Capacity & Performance Management

The system performance will be reviewed by the appointed Capita's service delivery manager. System support will be provided and co-ordinated via Capita's customer services desk.

3.1.4.3 Data

Subject to any statutory requirement Capita shall keep secure and maintain for the term a maximum of the current year and six (6) preceding years' data history and full and accurate records of all matters relating to this Contract. The current year and two preceding years will be retained in live tables with the remainder being transferred to archive tables within the application software.

The Customer may choose to keep data for longer periods than the recommendations above, subject to agreement on additional Service costs. Archiving of report and log files, will be discussed at part of the implementation will be setup to run from within the system. Capita will then make sure that these automated processes are running correctly on a daily/weekly/monthly basis.

In the event of deterioration in performance due to extended data retention beyond the recommendations above, contracted performance targets would be invalidated.

3.1.4.4 System security and access

Provision of Audit Trails. All systems will provide a full audit trail of all transactions and all updates to master data including, for each transaction/update:

- Date and time of processing
- User id
- Nature of change.

It will be possible to access audit data by standard reports or ad hoc enquiries.

3.1.4.5 Ability to construct user profiles / modify access rights:

Comprehensive user security facilities are provided as part of the Integra application.

The username ID is recorded against each transaction carried out.

3.1.4.6 Reporting

Crystal Professional and xQuery will be utilised for reporting.

3.1.4.7 Development

The Integra modules are under continuous development with at least one main new release per annum.

3.2 Capacity of the Managed Services

- | | |
|---|-------|
| i. Number of concurrent users: | XXXXX |
| ii. Number of concurrent supplier portal users: | XXXXX |
| iii. Number of concurrent mobile users: | XXXXX |
| iv. File Sizes (Storage): | XXXXX |

4. Responsibilities in provision of Hosted Managed Services

4.1 Operations

Using the relevant processing technology and established operating procedures Capita will manage the system and interface environment to include:

- I. Contracted application and Database
- I. Operations
- II. Hardware Configuration
- III. Hardware maintenance
- IV. Operating system software
- V. Media and file management, including file uploads for Interfaces
- VI. Physical and logical security
- VII. Back-up and restore
- VIII. Start-up and shut down
- IX. Environmental validation

4.2 Data Centre

The service will be provided from a secure environment located at Capita's data centre.

Following Hardware installation and commissioning Capita will monitor the operating conditions to ensure that the contracted levels of availability, serviceability and usability are maintained for the duration of the contract. Capita will be responsible for the computer room facility and will take all reasonable precautions to ensure that the facilities are appropriately protected from flood storm fire and other potential disasters. Capita will ensure that the data centre facility is equipped with air conditioning, fire detection/suppression systems and balanced power distribution.

Capita will ensure that only authorised staff or sub-suppliers are afforded access to the computer room and the physical areas where data is stored, accessed, printed and dispatched.

4.3 Hardware Configuration

Capita will deliver the operational service to include all hardware components necessary to deliver the processing and capacity requirements specified and to achieve the system availability and performance targets specified.

Capita will retain ownership of the host hardware configuration.

4.4 Operating System Maintenance

The service will include an annual review by Capita to assess if upgrades are appropriate to maintain the operating system software at latest release levels and which Capita supports.

4.5 Media and file management

The service will include the provision of a back-up and media storage facility at a secure store remote from the computer room. The facility will be provided by Capita and will be of a rigid fireproof construction with reinforced high thickness walls. The storage facility will be subject to the same physical security access controls as the computer room. Media will be tracked and maintained in accordance with defined standard operating procedures adopted by Capita.

4.6 Back-up and Restore

Capita will ensure that the host computer systems are backed up and that all necessary and appropriate Operating System housekeeping tasks will be undertaken at specified scheduled times. Capita will report to the Customer when backups and restores will impact on availability outside of the Service Cover Time.

Records of all housekeeping procedures undertaken will be kept. Backups will be verified from time to time, per a schedule agreed with the Customer.

Hot backups are taken each night for data changed during the day, this does not involve any downtime to the hosted service.

Cold backup is Saturday night, running at a scheduled time slot, commencing between the hours of 22:00pm and 04:00am. The first step in this process is for Hot Backups and Databases export, followed by shutdown of all running services. Databases are re-started at approximately 06:00 Sunday morning, but this time can fluctuate dependant on various external factors.

Back-up copies of the application software and operating system software product will be taken along with daily and weekly back-ups of the Customer's database.

Full weekly backup tapes are held off-site in a secure environment.

4.7 Operations Cover

Capita will provide attended operations cover during Service Cover time. The hardware configuration will be available 24 Hours day, 365 days per year, excluding planned downtime. Capita will report to the Customer when planned downtime will impact on availability outside of the Service Cover Time.

4.8 Operations Management

Capita will be accountable for delivering computer operations in accordance with the agreed performance targets.

Capita will be responsible for maintenance of the hardware configuration and the operating system software and will ensure that sub-contracted services are delivered by the appropriate third parties to satisfy the performance targets defined.

4.9 Start-Up and Shut Down

Controlled system start-up and shut down operations, with documented procedures, will be undertaken when appropriate and in agreement with the Customer.

Capita will be responsible for liaison with the Customer's nominated representative to agree planned downtime.

4.10 Security and Access Management

All data processed on the computer systems of whatever type are deemed to be the property of the Customer, and as such is safeguarded on behalf of the Customer. In accordance with the provisions of the Data Protection Act only the Customer can authorise the details to be divulged to third parties or the contents of the files to be changed or deleted.

No printed data will be retained in Capita's Computer Centre; any records held on magnetic tape or disk can only be accessed by use of the appropriate programs. Use of such programs is strictly limited to staff determined necessary for the running of that job.

Capita will provide facilities to the Customer to control access to the service to authorised users. This will be provided by means of the facilities within the application system. It is the Customer's responsibility to use these facilities to provide the appropriate access to users.

The procedures followed for access and security by Capita will be the latest procedures documented and recorded in Capita's Quality Management System.

4.11 Monitoring / Reporting

The Customer is responsible for carrying out such checks as they consider necessary (e.g. checking of batch totals, items in suspense accounts etc.) to be satisfied as to the accuracy and completeness of data input and processing performed.

Monitoring of the Managed Service will be achieved from information recorded by the Customer Services Centre.

A problem is deemed to be open when a phone call, e-mail, fax or On-Line entry is received by the Customer Service Centre. It is deemed to be closed when the appropriate level of service is restored. This detail is recorded in Capita's customer service system.

4.12 Alternate and Back-Up Services

Capita is responsible for ensuring adequate security copies are kept of all system and Customer software and files. Backup to magnetic tape and removal to off-site security storage is completed daily for all information so that no more than one day's processing would be lost in the event of hard disc failure or major disaster.

Capita is responsible for restoring from security copy in the event of a total loss of data.

The procedures that Capita will follow for backup and restore to meet its obligations under this section are the latest procedures documented and recorded in Capita's Quality Management System.

Alternative services will be provided by Capita where processing cannot take place on the hardware and location defined in Section 7 due to a major disaster, such as fire or flood, and the need to make provision for the relocation of offices and equipment.

If Capita's Data Centre is unavailable, then the Disaster Recovery procedures will be invoked. The procedures followed by Capita and the Customer will be the latest procedures documented and recorded in Capita's Information Security and Quality Management System.

Disaster Recovery procedures will be reviewed annually. Part of the review will be a rehearsal invocation test, to emulate as closely as possible the conditions faced in a disaster.

This test would involve Capita re-building the system on alternative hardware to the agreed test plan. The Customer would then test out the items identified on the plan, and finally for Test Results to be signed off by both parties as a success or failure. The test would simulate various disaster events and that the system can be recovered the event of said situations. This test would be performed once per year at an agreed time by both parties.

Capita will provide a continuity of service within 72 hours of invoking the Disaster Recovery Service

4.13 Responsibilities for Customer Software

4.13.1 Customer software

Capita will not have any responsibility for the management of the Customer's Software or managing any third-party suppliers in relation to the Customer's Software.

4.14 Customer / Capita Contact and Service Reviews

4.14.1 Help Desk

Capita will provide a permanently manned Help Desk for the period 08.30 to 18:00 Monday to Friday, excluding English Bank and Public Holidays. The Help Desk operates a computerised call logging system for all technical queries.

All phone calls received by Capita shall be entered on the Customer Services System by Capita and a sequential log reference number assigned.

The Customer will be allocated an agreed number of users (typically 3 or 4) who can access the call logging system.

4.14.2 Problem / issue management

After successful completion of the implementation phase of the project, should any matter require resolution this will be passed to Capita's Service Manager who will be responsible for managing the resolution of such issues. Full escalation procedures are outlined in Section 4 of this Agreement.

4.14.3 Service Reviews

The Customer's System Administrator will be responsible for co-ordinating such meetings which will be held between Capita and the Customer on a quarterly basis or as otherwise agreed.

4.15 Product updating

4.15.1 Software Release & Upgrades

As new releases of Capita's Software as listed in Schedule 1 of the Software Agreement are made available, these will be offered to the Customer for installation without cost to the Customer. Where the Customer wishes to take such new release, the software shall be loaded by Capita and fully tested by the Customer, prior to release into the live environment.

The Customer must, always be utilising supported versions of the Software, defined in the Software Support Terms as the latest release and the immediately preceding version.

4.15.2 Software Upgrades

Where the Customer identifies a requirement for additional software to be provided by Capita, such software will be made available initially in a test environment prior to transfer to the live (operational) system.

4.15.3 Software New Modules

New Software is categorised as modules which are not listed in Schedule 1, Annex 1

The Customer will be responsible for bearing any costs associated with additional or new software in respect of any:

- I. Increased processing capacity required
- II. Implementation costs associated with installation and training.

These costs will be quoted for and agreed by both parties prior to an order being raised by the Customer, and a CCN being signed.

4.15.4 Hardware Maintenance & Upgrades

To maintain performance and security of the Services, Capita performs planned maintenance within maintenance windows of 18:00 – 20:00 on Tuesdays & Thursdays and the 3rd weekend of every month. This may require specific services to be suspended during the maintenance period.

Capita will use commercially reasonable efforts to notify the Customer in advance of any planned maintenance, providing one week's notice for an evening window and one month's notice for a weekend window.

Occasions may arise when maintenance is required during the normal working hours. For unplanned emergency maintenance, Capita will endeavour, but cannot guarantee, to use a standard maintenance window, but where required the notice period may be considerably less.

4.15.5 Hardware Engineering Changes

Upgrades up to the point of the outside edge of Capita's firewall will be Capita's responsibility. Beyond this point the responsibility will rest with the Customer.

5. Performance of Managed Services

5.2 Measurement of performance

5.1.1 The measurement of availability will be the responsibility of Capita.

Excluded from the measure will be problems found to exist with Customer provided network, firewalls and access devices.

Capita will measure the availability of the Hosted Managed Service to the point at which the Hosted Managed Service is delivered from Capita's network.

The measurement will operate as follows:

$$\frac{('Actual\ Hours' + 'Planned\ Downtime') \times 100}{'Accountable\ Hours'} = \text{Actual System Availability \%}$$

Definitions

Actual Hours = The total amount of time, expressed in hours, that the System is available measured over the Service Cover Time (SCT) as defined below:

- The periods during which Capita provides the Managed Services shall be from 08:30 - 18:00 Monday to Friday excluding English bank and public holidays.
- At all other times Capita's Software will be available on an un-staffed basis for unsupported user access and transactional processing, except during the period of planned maintenance and system shutdown.
- The Customer can request additional cover from time to time. The provision and cost of additional cover will be through the chance control procedures of the contract. Capita will make reasonable endeavours to provide the cost of such additional cover in a timescale that allows the Customer to consider the cost of additional cover against alternatives.

Planned Downtime = To maintain performance and security of the Services, Capita performs planned maintenance within maintenance windows of 18:00 – 20:00 on Tuesdays & Thursdays and the 3rd weekend of every month. This may require specific services to be suspended during the maintenance period. Loss of service availability due to planned maintenance will not be included in the calculation of service availability.

Accountable Hours = SCT

5.1.2 Transaction response times

Response time is measured as the time between depressing a key or clicking the mouse to enter data/make an enquiry and the time when the system displays the response to the enquiry or is available for further data input. The measurement of the activity will be taken from a PC linked to the perimeter of Capita's network and made under conditions, which would represent peak load conditions. Commitment to response times across the World Wide Web and/or the Customer's Network (or availability of the Network) cannot be underwritten as these factors are outside of the direct control of Capita.

5.1.3 Service response times

Against the understanding that there are variables according to problem type, Capita targets the response times for handling calls as detailed below, based on the following categories:

The following impact codes will be used by Capita:

- I. Impact 1 - System Down. Any fault which renders the system inoperative or prevents absolutely necessary business transactions.
- II. Impact 2 - System partially unavailable. Any fault which restricts the End User from performing normal day to day business transactions.
- III. Impact 3 - System is inconvenient to use. Any other fault which causes the End User inconvenience in performing day to day business transactions

- IV. Impact 4 - System has a cosmetic problem or call that can be classified as general assistance enquiries.

5.2 Service levels

5.2.1 Availability of the Service

Actual system availability percentage will not fall below 98% within any period of measurement, being a four-weekly period.

5.2.2 Transaction Response Time

Enquiries

- I. *Simple*: The response time using a single data item as the key to identify the required record should be no more than three seconds for 95% of the transactions in the hour of peak work load and no response should be greater than five seconds.
- II. *Complex*: The response time using multiple data items as key to retrieve more than a single record should be less than five seconds for 95% of transactions in the hour of peak work load and no response should be greater than seven seconds.

Updates

- III. *Simple*: The response time for a transaction which updates a single data item should be less than three seconds for 95% of the transactions during the hour of peak work load and no response should be greater than five seconds.
- IV. *Complex*: The response time for a typical transaction which updates multiple data items, or the contents of a complete screen should be less than five seconds for 95% of transactions during the hour of peak work load and no response should be greater than ten seconds.
- V. These guidelines will be subject to variance on transactions which include a high number of record updates.
- VI. *System Functions* such as initial logon attempt, on screen help display or menu display once the main program has been loaded should not exceed seven seconds.

5.2.3 Service Response Times

After a problem has been reported in accordance with the procedures of this contract the following response times will be provided for responding and resolving. The Impact code will be agreed at the time of logging the fault.

5.2.3.1	Impact Code 1
Respond Time	2 hours
Resolution Time	1 working day
5.2.3.2	Impact Code 2:
Respond Time	1 working day
Resolution Time	2 working days
5.2.3.3	Impact Code 3
Respond Time	2 working days
Resolution time	15 working days
5.2.3.4	Impact Code 4:
Respond Time	3 working days
Resolution time	20 working days

Respond Time means proof of the Capita assessment of the problem, and definition of a proposed solution by the Capita. Resolution Time means as an interim solution to a problem, supplied to enable continuation of the Customer's business.

Resolution is dependent on investigation and problem definition. Capita will make all reasonable endeavours at all times to provide a temporary fix where appropriate, however this is dependent upon the nature of the problem and the availability of any 'work around' solution.

5.3 Failure to achieve Service Levels

5.3.1 Corrective actions

If any Target Service Level is not achieved or where, following a meeting designated to review the performance of the Managed Services, both parties have agreed that there is a failure to achieve the Target Service Levels, Capita will propose, and the Customer will agree, an Action Plan and Timetable such that the performance of the Managed Services returns to the appropriate Service Level within an agreed timescale. The Customer will assist Capita in the performance of such Action Plan as agreed at the time.

Any actions agreed in accordance with these provisions shall be additional to actions taken in respect of the resolution of specific Service Desk calls involving faults, and to actions which are part of Capita's on-going responsibilities for hardware maintenance and software support.

Failure to reach agreement on corrective actions to be taken, or any failure or delay by either party to carry out its agreed responsibilities for corrective action, will be subject to the escalation procedures below.

Escalation procedures will also be invoked within Capita for non-application software problems according to the following table. The first level of escalation for each Impact Code will be invoked after a problem has exceeded the resolution target in 5.2.3.

Impact Code	Escalation Point	Timetable
1	Level 1	Within 15 mins
	Level 2	After a further 2 hours
	Level 3	After a further 2 hours
	Level 4	After a further 4 hours
2	Level 1	Within 45 mins
	Level 2	After a further 6 hours
	Level 3	After a further 6 hours
	Level 4	After a further 24 hours
3	Level 1	After 2 working days
	Level 2	After a further 4 working days
	Level 3	After a further 5 working days
	Level 4	After a further 10 working days
4	Level 1	After 9 working days
	Level 2	After a further 10 working days
	Level 3	After a further 12 working days
	Level 4	After a further 20 working days

The Escalation Path for the resolution by the Customer of any issue arising under this procedure shall be from:

Level 1: Personnel in the Customers support team; to

Level 2: The Customers Service Manager; to

Level 3: The Customers IT Director; to

Level 4: The Customers Managing Director

The Escalation Path for the resolution by Capita of any issue arising under this procedure shall be from:

Level 1: Personnel in Capita's Customer Service Team; to

Level 2: Capita's Client Service Delivery Manager; to

Level 3: Capita's Technical Services Manager; to

Level 4: Capita's Managing Director.

For outstanding problems relating to the application software the Capita will follow the escalation procedures of the application sub-Capita as documented in the latest version of the application sub-suppliers Support Guide.

6 Service Levels and Service Credits

Capita shall provide a managed service through the provision of the Service Manager where required on matters relating to:

- a. Failure to meet the Service Level Performance Measures set out in this Section 6 will result in Service Credits being issued to the end customer.

1. SERVICE LEVELS

- b. Capita shall monitor its performance of this Contract by reference to the relevant performance criteria for achieving the Service Levels shown in this section 6.

2. SERVICE CREDITS

- c. The Service Levels and Service Credits Table below sets out the formula used to calculate a Service Credit payable to the end customer as a result of a Service Level Failure in a given service period which shall be a recurrent period of one Month during the Contract Period.
- d. The Service Levels and Service Credits Table details of each Service Credit available to each Service Level Performance Criterion if the applicable Service Level Performance Measure is not met by Capita.
- e. The Customer shall use the Quarterly Performance Monitoring Reports supplied by Capita to verify the calculation and accuracy of the Service Credits, if any, applicable to each relevant Service Period.
- f. Service Credits are a reduction of the amounts payable in respect of the Services and do not include VAT.

SERVICE LEVELS AND SERVICE CREDITS TABLE

Service Levels				Service Credit for each Service Period
Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	
Timely provision of the Services 08:30 to 18:00, Monday to Friday days a week excluding UK Bank Holidays and agreed maintenance periods.	Services Availability	At least 98%	98%	In accordance with the Service Availability Table below.

SERVICE AVAILABILITY TABLE

Band	Monthly System Availability	Percentage Service Credit applicable
A	98.0% - 100%	0%
B	97.00 – 97.99%	1%
C	96.00 - 96.99%	2%

Band	Monthly System Availability	Percentage Service Credit applicable
D	95.00 – 95.99%	3.5%
E	94.99% or below	5%

In no event shall Capita's liability for Service Credits exceed 5% of the monthly charge for the Hosted Services.

7. Exit plan

Capita will provide the Customer with downloads of the system data in an agreed industry standard format on electronic media suitable to the Customer. Such downloads will be provided as required by the Customer. The cost of such downloads will be restricted to the cost of the media and Capita resources at the standard daily rate. The cost of any Services will be negotiated at the time of the request based on the specification of the requirement.

The extent of the data will include that identified in clause 3.1.4.3

8. Premises

Capita is responsible for providing appropriate processing power at its Data Centre to meet the turnaround times detailed in this Schedule 3 and facilitate remote access for input and enquiry as outlined in this Schedule 3.

8.1 Sites and Capita Premises

Facilities and services will be located at and provided from the following Capita's and sub-supplier premises:

- 8.1.1 Capita Integrated Business Solutions
c/o Capita Secure Information Systems
Wiltshire
SN13 9GB
- 8.1.2 Capita Integrated Business Solutions
The Spirella Building,
Bridge Road,
Letchworth,
SG6 4ET
- 8.1.3 Iron Mountain UK Ltd
Unit 2, Pennine Business Park
Pilsworth Road
Heywood
OL10 2TL
- 8.1.4 SunGard Availability Systems
London Technology Centre
Unit B, Heathrow Corporate Park
Green Lane
Hounslow
TN4 6JD

9. Sub-Suppliers

Approved Sub-Suppliers

- SunGard Availability System
- Iron Mountain
- Oracle Corporation
- Business Objects

9. Customer Responsibilities

The Customer shall nominate points of contact who will be responsible for communicating and following up fault reports with Capita once the new System has been implemented.

During the implementation, the Customer's Project Manager or nominated deputy shall be responsible for reporting faults to Capita. The Customer's Project Manager or nominated deputy shall inform the help desk of alterations, including short-term absence cover.

The Customer shall liaise with Capita to define content of the files required from feeder systems. The Customer will liaise with the third-party system suppliers to establish file format for the interface and the supply of test and live data in accordance with the milestones of the project plan.

It is the intention of the Customer to reply to any reasonable requests for information made by Capita to enable the smooth implementation of the new Finance System. If the Customer fails to provide in a reasonable time, information requested with reasonable notice to Capita and essential for tasks specified in the Implementation Plan and this directly causes a delay then the Customer agrees to review the Implementation Plan and use the Change Control Procedures defined in the Schedule 1 (Software Licence Terms) Annex 6 if it is mutually agreed that one or more dates in the timetable must be changed

The Customer will register all calls for assistance with Capita's Help Desk, and where required Capita will provide documentation and data to assist in fault analysis and resolution.

To record all software and data errors as they occur and report them to Capita.

To restrict access to the system to appropriate staff and to maintain the integrity of the system.

To ensure that requested information needed to resolve problems is passed to Capita within a reasonable timescale of being requested. If an undue delay occurs, Capita will be entitled to measure his response from the time of receipt of the requested information.

All devices and software at the Customer's locations other than those owned by Capita will remain the responsibility of the Customer, for maintenance and support purposes.

The Customer is responsible for the local Hardware (PC's, Printers, etc.), the local Networking.

To ensure that all documents used by the Customer in connection with this contract are legible and fit for their intended purpose.

The Customer will be responsible for printing from its locations. Any hardware specific software required to enable printing through devices on the Customer's network will be provided by the Customer along with valid licences including maintenance provision.

The Customer shall identify an escalation procedure within its organisation, and inform Capita accordingly, including alterations to the procedure. This information will be used to aid communication between the Customer and Capita.

The Customer shall ensure that for out of hours support services appropriate levels of approval are identified and available for issues of a contractual nature.

The Customer is responsible for identifying a System Manager, usually the Project Manager or their nominated deputy, whose duties will include intercepting all queries from users relating to the operation and functionality of the facilities within reason, ensure that only faults which are for action by Capita are reported

The Customer will be responsible for ensuring that all communications to Capita are only reported by the System Manager and/or nominated deputies who have the appropriate level of fault reporting and diagnosis competence.

The Customer shall provide all reasonable assistance to Capita in securing and procuring the full and timely co-operation of any other third parties which Capita reasonably requires to be involved in connection with the implementation of the Hosted Managed Service. Capita shall not be liable for any delays or Service Credits caused by a third parties.

The Customer to provide within a reasonable timescale responses to all reasonable requests for information and to sign off all agreed Change Control notes / requests expeditiously.

Password and terminal access permission control is the Customer responsibility at all times.

The Customer will be responsible for provision of access to a suitable e-mail relay service to support deployment of certain functionality available in the software.

The standard Service is for delivery across the Customers network except for the supplier portal module and Integra Mobile. All penetration testing requirements are the responsibility of the Customer.