

UK IT NETWORKS LIMITED

TERMS AND CONDITIONS OF BUSINESS

We are:	UK IT NETWORKS LIMITED registered in England with company number 8026657
Registered address:	23 Bridgeman Terrace, Wigan, Lancashire WN1 1SX
Trading address:	Lewin Forge, 25 Lewin Street, Middlewich, Cheshire CW10 9BG
You are:	A user of our services. You are referred to in these Terms and Conditions as the "Customer" or "you".

Statement

These Terms and Conditions of Business ("Terms and Conditions") apply to all Orders accepted by us. Except where expressly stated in these Terms and Conditions or where there is a Written Variation in place, this document shall be read in conjunction with any Orders, and shall govern the supply of all Services that we provide to you.

If you are a Small Business Customer you may notify us in writing within 10 working days of signing an Order and agreeing to the Terms and Conditions that you wish to cancel this Agreement. Cancellation after this period may result in you incurring Charges.

This statement forms part of these Terms and Conditions.

1. Definitions

The words set out below shall have the following meanings in this document:

Act(s) – means The Telecommunications Act 1984 and The Communications Act 2003 and any amendments thereto which apply to the Services.

Agreement – means an agreement between us, UK IT NETWORKS LIMITED, and you, the Customer, for the provision of the Services and which is governed by these Terms and Conditions (In the absence within any Order form of a part referred to as Section 5 you may ignore within this agreement any reference to Section 5.

Authorised Alteration - means an alteration to one of our Tariffs that Authorised Personnel has itemised in Section 5 of the Order, or any other Order which does not contain a 'Section 5' that we accept.

Authorised Personnel - means a duly authorised representative of UK IT NETWORKS LIMITED being an employee, reseller, agent or dealer who we have authorised to obtain Orders from Customers for our Services.

Charges - means the charges which we are entitled to make and which you are liable to pay to us calculated in accordance with the Tariff for the provision of the Service to you, which shall include any and all taxes and interest covered within these Terms and Conditions.

CLI - means call line identification showing the telephone number of the caller.

Commencement - means the date that we commence the provision of Service to you.

Commitment Period – means, in respect of each Service, the Minimum Period you have committed to receive and pay for the Service provided by us unless varied by a Written Variation.

Confidential Information - means information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) relating to the business, products, affairs and finances of either party to this Agreement for the time being confidential to that party and trade secrets including, without limitation, technical data and know-how relating to the business of that party or any of its business contacts.

Connection Facilitator – means the telecommunications networks used to connect to Our Chosen Carrier via a telephone line. Where we provide your lines, we are your chosen connection facilitator relating to those lines.

Customer - means you the person requesting UK IT NETWORKS LIMITED to provide the Service(s).

Customer Equipment - means any hardware, and/or software, owned, controlled or licensed by you that you use to access our Services.

Customer Data - means any personal data (as such expression is defined in the Data Protection Act 1998 as amended and replaced from time to time) and related information in respect of the Customer including, without limitation, name, contact details, comments and information relating to or any enquiries by or regarding you in respect of the Services.

Data Protection Legislation – means the Data Protection Directive 94/46/EC as implemented in each member state including the Data Protection Act 1998 and the Privacy and Electronic Communicative (EC Directive) Regulations 2003.

Estimated Agreed Usage - means the estimated monthly call traffic that we may specify in Section 5 of the Order which we have calculated after discussions with you and which we both agree represents a fair assessment of your likely call traffic each month and on the basis of which we may have offered a variation from our Standard Tariff.

Estimated Monthly Bill - means an estimated monthly amount that you will pay us for call traffic based on the Estimated Agreed Usage.

Force Majeure - means any event which is beyond our reasonable control including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, extreme weather conditions, flood, epidemic, lock-outs, strikes or other labour disputes (excluding disputes by either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

ISDN is an acronym and refers to Integrated Subscriber Digital Network. They comprise ISDN2 and ISDN30 channels.

ISP – is an acronym and refers to an Internet Services Provider.

License - means any license owned, controlled or licensed by us for our use, which we may be permitted to license or sub license to you.

Minimum Call Traffic - is, unless otherwise specified in Section 5 of the Order, 70% of the Estimated Agreed Usage.

Minimum Monthly Bill - is, unless otherwise specified in Section 5 of the Order, 70% of the Estimated Monthly Bill.

Minimum Period – means a period of 36 (thirty six) calendar months running from the date specified in any Order or Written Variation.

Network - means any telecommunications system and associated equipment, hardware and software, utilised to provide telecommunications services.

NGN - means a Non Geographic Number, which we License or loan to you by way of a Number Loan, or port on your behalf from another Network to a Network of our choice.

Nuisance Call – means an unwanted call that causes annoyance, inconvenience or anxiety to the receiver of the call, and/or is of an offensive, spiteful, abusive, indecent, defamatory, obscene or menacing nature, and/or calls which cause the called person to experience silence when the call is answered in circumstances where the called person has no means of establishing whether there is a person at the other end of the line and/or calls which are not compliant with Ofcom's statement of policy

on persistent misuses published in accordance with section 11 of the Act as amended from time to time.

Number Loan - means any telephone number licensed to us that we have been using and which terminates on one of our own landline numbers, that we temporarily agree to terminate on one of your chosen landline numbers in accordance with Clause 7.

Ofcom - means The Office of Communications of Riverside House, 2a Southwark Bridge Road, London SE1 9HA, being the regulatory authority for the communications industry within the UK and which includes telecommunications.

Order - means a document which defines the scope of the Service, the relevant Tariff, Charges, and/or Out Payments and any special terms which may vary specific clauses within these Terms and Conditions.

Our Chosen Carrier - means the telecommunications carrier we have pre-selected responsible for switching our/your outbound calls (landline and airtime) to the chosen destination and/or for switching our/your inbound calls (landline and airtime) where their switches handle our/your NGN traffic and may also refer to our chosen ISP.

Our CPS - means Carrier Pre Select, being an outbound service, where we choose on your behalf to pre select a carrier to provide switched fixed-line/land-line telecoms services which enable your calls and their delivery to be our responsibility and for which we will bill you in accordance with the Tariff.

Our IDA - means, as an alternative to Our CPS, our suggested method of indirect access, such as PBX programming, which routes calls through the Connection Facilitator or otherwise to Our Chosen Carrier.

Our Service Faults - means any defect, error, or fault within Our Chosen Carrier's Network resulting in an interruption in the provision of Services to you, but excludes any of your acts or omissions, or those of third parties and/or other carrier's or other providers of telecoms services, computers, servers, internet services, or any failure, error or defect arising as a result of causes beyond Our Chosen Carrier's or our control.

Our Web Site - means our website www.ukitnetworks.com or other sites attached or white branded related sites which carry our name.

Out Payments – means the payment given from NGN services where there is a revenue share that has been agreed as a rebate to the Customer.

Previous Monthly Bill - means the average monthly amount that you have previously spent on call traffic with your previous telecoms provider.

Renewal – means the renewal of this Agreement and the provision of the Services following the expiry of the Minimum Period which may be undertaken in accordance with Clause 11.4.

Service - means the telecommunications service(s) that we have agreed to provide to you under this Agreement.

Service Credits - means an amount equal to the amount of the Charges or rebate for an estimated equivalent number of inbound and outbound minutes during the period of Our Service Fault.

Service Faults – means any defect, error, or fault within a Network which results in an interruption in the provision of Services to you.

Service Loan - is where we temporarily lend the Service linked to a Number Loan to you and you temporarily borrow from us for a predefined maximum set period of time, the Service and where you agree to relinquish any and all borrowing rights, at any time, upon 30 days written notice from us, and which we expressly forbid you, in the meantime or at any later time, to attempt to transfer or transfer the Service directly to Our Chosen Carrier directly or indirectly via another telecoms reseller or agent or dealer or to any other carrier or telecoms reseller or agent, dealer or entity involved in the telecoms industry.

Small Business Customer – means a person who is a Customer in respect of an undertaking carried on by him for which less than ten individuals work (whether as employees or volunteers or otherwise).

Software - means software that we provide for you under Licence or under Service Loan which enables you to use certain Services.

SPAM – means an unsolicited marketing message not permitted under the terms of the Data Protection Legislation.

Standard Tariff – means the list of prices for our Services which we may publish and as may be updated from time to time.

Supplier Equipment - means any hardware, and/or software owned, controlled or licensed by us that you use to access our Services.

Tariff - means our Standard Tariff which may be modified by us in the Order or by Written Variation.

TLI - means the Terminating Line Identification being the telephone number of the recipient of the call i.e. the number you are calling.

Unacceptable Use - means any activity which includes but is not necessarily limited to terrorist, criminal, illegal, malicious, fraudulent, threatening, harassing, or defamatory behaviour or attempting to violate or compromise security, permitting unauthorised access relating to any r Service that we may provide utilising the internet, landline or airtime networks. A full explanation of what we consider to constitute unacceptable use is more comprehensively detailed within Our Web Site or is available from us on request.

Unauthorised Alteration - means any alteration which is not an Authorised Alteration.

Usage Threshold - means bandwidth, capacity, usage, traffic minutes, volume and/or any commitment in respect of such usage or period of use, as agreed between us.

Written Variation- means a variation from these Terms and Conditions, included within any Order and which shall take precedence in the event of conflict, over them, unless such variation is legally unenforceable or conflicts with Acts, Ofcom's directives or the directions of any relevant regulatory authority, and/or Court of competent jurisdiction. The Written Variation shall set out any variations to these Terms and Conditions which may be agreed between us, and shall be signed by authorised signatories of both parties.

2. Services Provided

2.1 We undertake to provide, operate and maintain our Services in accordance with these Terms and Conditions.

2.2 We undertake to use reasonable and appropriate care in the provision of these Services.

2.3 We provide the Services for your use only.

3. Service Level and Faults

3.1 We do not guarantee that the Services will be continuously available to you or free from interruption or Service Faults.

3.2 Where you believe you are experiencing a Service Fault and your line rental is with another Connection Facilitator you should firstly attempt to make the call by pre dialling, in front of your chosen TLI, a 4 digit number, usually beginning with 1, followed by three further digits, that will permit you to make the call through the BT network or other Connection Facilitator. If you cannot get through it is unlikely to be Our Service Fault and more likely to be the Connection Facilitator's fault which you should report to them.

3.3 Where you believe you are experiencing Our Service Fault, or where your line rental is with us you should immediately report this to our Customer Services Team on 0844 324 85 85. If your call is made outside our usual business hours you will be required to leave a message and to provide your first name, you surname, customer account name or number, address from where you are calling with post code, address where the fault has occurred if known, with post code, details of the fault, and a working fixed-line/land-line or mobile telephone number where we can call you back. Where possible you should also confirm your most up-to-date email address, so that we can update you via email.

3.4 We will log the time of your call and where you have provided us with your email address confirm by email our reference number for Our Service Fault. Additionally we undertake to investigate the problem and call you back within a reasonable time, or earlier if possible to advise that Our Service Fault has been escalated to Our Chosen Carrier's help desk.

3.5 Where having investigated the fault, we find that you have not suffered Our Service Fault, we reserve the right to charge you for all reasonable costs incurred in investigating the report and you agree to pay such costs in accordance with Clause 8.

3.6 Where as a result of Our Service Fault and where a service level specified in the Order has not been achieved, subject to these Terms and Conditions, we may issue you with Service Credits in accordance with this Agreement.

3.7 The duration of Our Service Fault will be measured from the time the support desk receives notification from you, until we can demonstrate that the Service has been restored. This time period will not necessarily correspond absolutely with the time period notified to us by Our Chosen Carrier.

3.8 Service Credits will be the maximum extent of our liability and your exclusive remedy in respect of any failure to achieve service levels, and all other rights and remedies are excluded to the maximum extent permitted at law.

3.9 You must report the Service Fault to our support desk within 48 hours of its first occurrence, for us to provide fault handling and resolution services.

4. Use of Services

4.1 You hereby agree that you will not use our Services for unlawful purposes. Details of our definitions of Unacceptable Use including unlawful purposes are available on Our Web Site.

4.2 You agree not to participate in the transmission or storage of material that is pornographic, obscene, defamatory, menacing and/or offensive or which would result in the breach of any third party's intellectual property rights, confidential information or privacy.

4.5 You agree not to breach the Data Protection Act 1998 or any amendments thereof.

4.6 You agree not to exceed your Usage Threshold, not to cause congestion nor disrupt nor overload Our Chosen Carrier's Network. You agree to provide us with 2 days' written notice of any advertising, promotions or campaigns, in reasonable contemplation of which, may cause abnormal demands on Our Chosen Carrier's Network.

4.7 You agree not to breach any Licence granted to you or to cause Our Chosen Carrier to breach its licenses.

4.8 You agree to be responsible for maintaining and backing up any and all data that integrates, directly or indirectly, with or complements our Service and additionally to be responsible for maintaining a robust disaster recovery process in the event of failure.

4.9 You agree that you will obtain any requisite licenses, consents or permissions and permit or procure

permission for us to have access to your premises, if required, to fulfil any part of our Service. We reserve the right to charge you at our current rates for any work that we carry out other than in routinely maintaining your account.

4.10 You agree to indemnify us against any claims, proceedings or threatened proceedings from third parties and against any loss or damage suffered by us arising out of any breach of your obligations within the Terms and Conditions of this Agreement and for all costs incurred by us in investigating or defending ourselves against such claims or proceedings, threatened or otherwise.

4.11 You shall not commit any act that would or does impose an unreasonable or disproportionately large load on our infrastructure.

4.12 You shall not copy, modify, deliver to any third party or decompile any software which we supply in connection with the Services.

4.13 You shall not act in a way, whether knowingly or otherwise, which might impair or otherwise affect the operation of any Network or put any part of it in jeopardy. Except as expressly stated in this Agreement, all warranties, conditions and other terms, whether expressed or implied, by statute, common law or otherwise are hereby excluded to the fullest extent permitted by law.

4.14 You undertake to use the Services in accordance with the provisions of this Agreement and all reasonable instructions as may be notified to you by us from time to time and in accordance with the provisions of the Act.

4.15 You are not permitted to use the Services:

4.15.1 in a way that does not comply with the terms of any legislation or any codes of practice, regulations or any licence or authorisation applicable to you or us (as appropriate) or that is in any way unlawful or fraudulent or to your knowledge has any unlawful or fraudulent purpose or effect;

4.15.2 in connection with (and without prejudice to the generality of Clause 2.5.1 above) the carrying out of fraud or a criminal offence against any other public telecommunications operator;

4.15.3 in a way that in our reasonable opinion could affect the quality of any telecommunications service or other service provided by Our Chosen Carrier, ourselves or a third party;

4.15.4 to make Nuisance Calls or send SPAM;

4.15.5 to threaten, harass, stalk, abuse, disrupt or otherwise violate or infringe the rights (including but not limited to copyright, rights of privacy and publicity) of others;

4.15.6 to obtain access, through whatever means, to notified restricted areas of the underlying network;

4.15.7 to send and receive data in such a way or in such amount so as to adversely affect the Network (or any part

of it) which underpins any Service or to adversely affect other customers or our suppliers;

4.15.8 to engage in conduct which amounts to improper or persistent misuse of a public telecommunications network or service within the meaning of sections 127 to 128 of the Act; or

4.15.9 to act in a way which, in the reasonable opinion of Our Chosen Carrier, brings the name of Our Chosen Carrier into disrepute or which places Our Chosen Carrier in breach of the Act.

4.16 If you receive a broadband service from us you are not permitted to use the Service:

4.16.1 to knowingly make available or upload files that contain software or other material, data or information not owned by or licenced to us or you (as appropriate);

4.16.2 to knowingly make available or upload files that contain a virus or corrupt data;

4.16.3 to falsify the true ownership of software or other material or information contained in a file that we or you makes available via the broadband service;

4.16.4 to publish, post, distribute, disseminate, send, knowingly receive, upload, download, use or re-use material which is abusive, indecent, defamatory, offensive, obscene or menacing, or in breach of copyright, privacy or any other rights;

4.16.5 to deliberately abuse any part of a Service;

4.16.6 to post or send the same or similar messages in multiple use net or news groups;

4.16.7 to send or provide unsolicited commercial messages or communications in any form;

4.16.8 to falsify user information;

4.16.9 to act in such a way which threatens the integrity or security of any computer system;

4.16.10 with a view to avoiding incurring or paying charges for such usage;

4.16.11 with a view to degrading the use of services by third parties;

4.16.12 to violate general standards of internet conduct and usage such as denial of services attacks, web-page defacement, and port and network scanning;

4.16.13 to forge addresses;

4.16.14 to share network connections in a manner enabling third parties to access and use such connections;

4.16.15 other than in accordance with the acceptable use policies of any connected Networks;

4.16.16 in a way that may pose a threat to the safety of persons or may pose a hazard which would impair or prevent the operation of equipment;

4.16.17 to disclose passwords;

4.16.18 to violate any restrictions on the size of emails;

4.16.19 to post or send off-topic items to use a net or news group; or

4.16.20 in a way which is likely to impede the activities of authorised persons responding to an emergency.

4.17 In the event that we receive notice of a copyright infringement, a request to provide copyright infringement list, an order to impose a technical obligation or any other notice, request, report or order made under the Act, you must do everything reasonably required by us to ensure that both us and Our Chosen Carrier will be in full compliance with the letter and the spirit of all our obligations under the Act including with regard to the provision of information, cessation of service and compliance with any code adopted by Ofcom in respect of the relevant provisions.

5. Supplier Equipment

5.1 In the event that we provide Supplier Equipment to you, unless otherwise expressly stated in writing within our Order, we offer you a non-exclusive licence to use the Supplier Equipment strictly on the premises specified within the Order and only for the duration of the period when you are using our Services which require the use of such Supplier Equipment.

5.2 You agree to keep any of the Supplier Equipment required for us to provide the Service, which shall include but not be limited to, hubs, diallers, routers and private branch exchanges (PBXs) connected to Our Chosen Carrier and/or Network of our choice for the duration of this Agreement.

5.3 The title of the Supplier Equipment does not pass to you. By exception we may offer to install equipment that we notify, but only in writing and within the Order, as being 'your equipment' in which event title in such equipment will pass to you on payment of any and all Charges set out within the Order for such equipment.

5.4 You are responsible for the maintenance of Supplier Equipment, unless otherwise specified within the Order, whilst on your premises and for its return to us on termination of the use of Services. You hereby agree that in the event you fail to return it for any reason within 14 days of the termination of the use of our Services, you hereby grant us and any agent or representative an irrevocable licence to access to your premises, for the purposes of re-taking possession of the Supplier Equipment which may include disconnecting and removing such Supplier Equipment. In such event, you agree that within that 14 day period and prior to its disconnection you will ensure that such disconnection by us, our agent or representative, will not affect nor cause to effect any damage, Network damage, or IT damage to any systems, software or hardware that have been linked and you hereby agree to indemnify us against any claim, if by failing to comply with this term, we suffer any loss, damage, cost or expense.

5.5 Risk in respect of any Supplier Equipment will pass to you on delivery and you agree to obtain and/or maintain all risks insurance with a reputable insurer sufficient to cover our interests in relation to such equipment which shall include cover for its full replacement value, fire damage, loss or theft, accidental damage and all other risks. Our interests should be noted on the insurance policy. Where requested by us evidence of your insurance cover should be provided to us.

5.6 When the Supplier Equipment is returned to us, we require that it is in serviceable condition. Where Supplier Equipment is not returned to us or where returned equipment is not in serviceable condition, we reserve the right to replace that equipment, on a 'new for old' basis, at current replacement prices and you agree to pay us in full for such cost which shall be invoiced to you upon occurrence.

5.7 You may not part with possession of the Supplier Equipment without our explicit and express prior consent in writing, such consent not to be unreasonably withheld by us.

5.8 You agree to indemnify us against any claims, proceedings, or threatened proceedings from third parties which may include those of the customers of Our Chosen Carrier, and our customers, arising from any breach of these Terms and Conditions which has been caused by the acts or omissions of yourself, your agents, representatives and sub-contractors, and for all costs and expenses reasonably incurred by us in investigating and defending ourselves in relation to any such claims, proceedings or threatened proceedings.

6. Your Equipment

6.1 You are responsible for the provision of all necessary hardware, software, network facilities, lines and telecommunications services, unless otherwise specified within the Order.

6.2 You agree to ensure that your equipment at all times conforms with the relevant standard designated by all relevant legislation, including the Act, the Radio Equipment and Telecommunications Terminal Equipment Regulations 2000 and any other requirements or standards as we may notify to you from time to time.

6.3 You agree to keep any of your equipment, required for us to provide the Services, properly maintained and in serviceable condition which shall include, but not be limited to hubs, diallers, routers, private branch exchanges (PBXs), and where you or your telecoms equipment maintainer exercise control over the direction and connection criteria, you agree to keep such equipment connected to Our Chosen Carrier and/or Network of our choice, for the duration of this Agreement.

6.4 Our Chosen Carrier reserves the right not to keep connected any of your equipment where, in its reasonable opinion, it is liable to cause death, personal injury or property damage or to impair the quality of its services or our Services, or which might cause them to breach their own licenses or obligations to any third party.

6.5 If you place your equipment in Our Chosen Carrier's site you will remain responsible for the risk of the equipment and you agree that you will maintain insurance cover for its full replacement value to protect against fire, theft, accidental damage and all other risks; that you will hold in place public liability insurance of not less than £10 million per annum; and on request provide us with certificates of cover and evidence of payment of premiums.

6.6 Where placed in Our Chosen Carrier's site your equipment must meet minimum technical specifications as specified by Our Chosen Carrier to be compatible with the Service you have agreed to take from us. The equipment must comply with all applicable legislation or regulations. You must obtain all required licenses or consents for them to have access to your equipment and, unless we have otherwise agreed with you in writing, you will be responsible at your own cost for delivering your equipment to Our Chosen Carrier's site and for the prompt removal from their site of the equipment. In addition, you will also be liable for the costs of the installation, de-installation and removal.

6.7 You will not be entitled to remove your equipment from Our Chosen Carrier's site in the event that you owe us monies for Services that are unpaid and outstanding beyond our contracted terms with you, other than those that are current and are not due for payment at the time and date of the planned removal.

6.8 You agree to indemnify us and Our Chosen Carrier against any claims, proceedings or threatened proceedings from third parties or from Our Chosen Carrier against any loss or damage suffered or arising out of its possession or use of your equipment and all reasonable costs incurred by us investigating and defending ourselves in relation to any such claims, proceedings or threatened proceedings.

6.9 You agree to indemnify us and Our Chosen Carrier against all claims for fraudulent calls made, arising from the misuse (due to hacking or poorly implemented security measures) of your telephone equipment.

7. Allocation and Use of Telephone Numbers

7.1 Where we allocate any telephone numbers which shall include but not be limited to NGNs or codes, as part of our Service you acknowledge that we operate two entirely different systems, as described further in this clause 7 and that you do not acquire any legal, equitable or other rights in relation to any telephone numbers, NGNs or codes. You are not entitled to sell, licence or transfer any telephone numbers, NGNs or codes allocated by us and neither are you permitted to register them as trademarks or to use such numbers to form part of a trademark or logo.

7.2 NGNs are often also referred to more specifically as 08 or 03 numbers and according to the next two digits can be characterised as - Freephone/Freephone 0800, Lo call Rate 0845, Flat Lo call Rate 0844, National Rate 0870, and national flat rate 0871, 030 for public services and charities, and 033 for businesses. In the event that we allocate by license or loan or port such numbers for you and you expend monies promoting them in stationery, within literature or other media, you are notified that

Ofcom and PhonePayPlus has the authority to alter the name or classification by which these numbers may be known as or may be referred to and if such changes are made, you accept them at your cost and agree that we may make such necessary amendments to numbers and or introduce additional codes that are required to comply.

7.3 We may license you to use a telephone number, NGN or code which may reside within Our Chosen Carrier's Network. We reserve the right to impose a connection fee and/or annual or monthly service Charges, provided always that this has been agreed verbally between us or specified within the Order. We reserve the right to charge you a nominal transfer fee on each NGN, where we have agreed to transfer a number or numbers for you to another reseller or carrier. You may port numbers to and from Our Chosen Carrier's Network providing always they have a Porting Agreement in place with the other network.

7.4 We reserve the right to reallocate numbers or NGNs allocated to you if these are not used by you for a period of 6 consecutive weeks.

7.5 We may temporarily provide you with a Number Loan at our discretion for a predefined maximum set period of time. You agree to relinquish any and all borrowing rights at any time upon 30 days written notice from us. We reserve the right to port this number at any time to an alternative provider. You are not entitled to port this number at any time as it is on loan to you. If notified by Our Chosen Carrier or any other reseller or carrier that you have requested to port such Number Loan, you will be in breach of these Terms and Conditions. In such event, the number we have loaned to you will be immediately, and without notice or any recourse to you, disconnected and the number immediately re-connected to one of our chosen landline numbers. We do not charge connection fees or annual service charges for Number Loans, and transfer fees do not apply, but we reserve the right to credit or debit you according to use and any costs that we incur in maintaining a temporary service for you.

7.6 Where we have converged your outbound call traffic with line rental, (which may or may not include ISDN, broadband and leased lines), provided we have received a request in writing from you, we will endeavour to place a single entry into the next printed BT phonebook, subject to its terms and conditions and any appropriate charges. In the event that because of timing, or other reason BT will not at that time accept our instructions or if, in error, we fail to place an entry on your behalf having been requested to do so or we place an incorrect entry on your behalf, you hereby irrevocably agree that we are not liable for any and all losses, and/or consequential losses that you may suffer or incur as a result.

8. Charges and Payment

8.1 You agree to pay us the Charges for the Services set out in our Order or as subsequently notified to you in accordance with Clause 8.2. Charges will be payable with effect from the time and date that the Service or any part thereof is first made available to you for use. We may vary our credit terms in accordance with the Estimated Monthly Bill.

8.2 Our Charges are calculated in accordance with the Tariff by the application of the appropriate rate per unit of time, to different destinations and category of call. In addition, we may charge you for Minimum Call Traffic, being calculated with reference to Estimated Agreed Usage, and based upon any Commitment Period and/or Usage Threshold and/or fixed Charges, connection fees, disconnection fees, and re-connection fees to which you have agreed. You agree to pay for such calls to be delivered to the destinations listed within our tariff sheet which is available from us upon request.

8.3 In the event that the monthly bill falls below the level which we originally agreed would be the Minimum Monthly Bill, set out in Section 5 of the Order or as otherwise defined in this Agreement, we will invoice you for, and you agree to pay us the Minimum Monthly Bill.

8.4 We may vary the Charges or Out Payment for any Service provided we give you at least 30 days written notice and they will apply immediately thereafter, unless a variation imposed on us which causes us to alter our prices, is or has been backdated, in which event, we reserve the right to backdate our Charges or Out Payments to you. In the event that backdating means that we have overpaid you, you agree to pay us back the amount of any such overpayment, within 14 days of our notification to you.

8.5 We will not increase our Charges, neither will we decrease network Out Payments, without due cause or unforeseen increased costs or reduced Out Payments to us, once you have entered into any Commitment Period with us.

8.6 Where you have specifically, by way of Written Variation, not entered into a Commitment Period with us the Charges and/or Tariff may be varied by any increase in the Retail Price Index or by up to 7%, whichever is the lower, without notice to you. Where you have not entered into a Commitment Period with us and the Charges and/or Tariff are increased by more than 7% or more than the Retail Price Index, whichever is the lower, you may provide notice of your wish to terminate this Agreement with us in accordance with Clause 12.6.

8.7 Ofcom has the authority to alter the fundamental Out Payment structures which may be offered by carriers and which we in turn may have agreed to pay/charge or offset for your benefit and you hereby agree to accept any such changes as are required by them that are imposed upon us and which we may have to impose upon you to maintain our existing margin.

8.8 Our Charges are subject to Value Added Tax (VAT), at the current prevailing rate. Our Charges are always quoted net of VAT unless otherwise specifically stated within the Order. Where we have specifically stated that our Charges are inclusive of VAT, the net amount of our Charges will be calculated by multiplying the inclusive charge by $100/(100 + (\text{VAT Percentage} \times 100))$. You will be responsible for the payment of VAT unless we agree otherwise with you in writing and within the Order.

8.9 We will issue invoices to you in accordance with the

payment terms within the Order within 14 days of the end of each monthly billing period.

8.10 You agree to pay our invoice or invoices within 14 days of the date of the invoice. We reserve the right and you agree herewith to pay us late payment charges equivalent to interest on the late payment which shall be calculated on a daily basis at a rate of 4% over The Royal Bank of Scotland plc base rate. We may also instruct a debt collection agency or solicitor to collect our payment (including any interest and/or late payment charges) on our behalf. In such circumstances you will be liable to pay an additional sum to us which will not exceed the reasonable costs that we may incur to pay the debt collection agency or solicitor, who will add the sum to your outstanding debt on our behalf.

8.11 Where under this Agreement a Service Credit or other sum of money becomes payable by us to you, we shall be entitled to deduct that sum from Charges due from you to us.

8.12 Where the Service comprises or includes Services in respect of rebates or Out Payments or special payments payable by us to you, we will notify you of the amount which we send to you as a credit invoice, due for each calendar month or other applicable period within 15 working days of the end of each monthly billing period. We agree to pay into your bank account 'account settlement payments' being the balance of your account within 45 days from the day we send you your credit invoice. Where the credit for the monthly or part monthly period is less than £20 (+VAT) we will not make any 'account settlement payments' until the combination of credits from previous billing periods exceeds £20 (+VAT).

8.13 If either

- (i) you cancel, terminate or in any way cut short this Agreement at any time before the expiry of the Commitment Period, or
- (ii) you have not served notice on us in accordance with the provisions of clauses 12.7 (where applicable), and the Agreement becomes the subject of Renewal,

you will be liable to compensate us by paying us a sum equal to 100% of the average profit based on the last 3 months full billing for non-fixed charges, multiplied by the remaining number of months within the Commitment Period plus the remainder of any fixed rental charges, as compensation for loss of business.

8.14 If there is any dispute over our Charges, you must notify us of the amount in dispute and pay the undisputed amount by the due date. Any disputed invoices must be notified to us within 5 days of the date of the invoice.

8.15 You will remain liable for all Charges if the Service has been temporarily disconnected for non-payment or you have transferred your account or numbers or NGNs to an alternative provider in breach of this Agreement.

8.16 If you change your address you must notify us within 14 days and you will be liable to compensate us for all costs that we incur in tracking such change where you have failed to notify us. Additionally, if you permit

another party to use your telecoms services you will remain liable to us for any use that follows.

8.17 We may appoint as our agent a third party to invoice and collect any payments arising under this Agreement. You agree that you will fully co-operate with such agent.

8.18 We may apply backdated Charges for amounts outstanding from a previous billing period which were not previously invoiced for technical reasons. Any backdated Charges will be made within 6 months of the date that the Services were rendered.

9. Changes to Service and this Agreement

9.1 Save as provided below, on 30 days written notice to you we may vary any of these Terms and Conditions and any other provisions or technical specifications of the Services, subject to our adherence to clauses 8.3 to 8.7 inclusive with regard to changes in our Charges. If you have not used CLIs in a 6 month period we reserve the right to delete CLI on 1 weeks' notice to you unless this has been provided as part of a line rental package.

10. Security and Back Up

10.1 You are responsible for the security of your use of the Service, including but not limited to protecting all passwords, backing up all data, employing appropriate security devices, including virus checking software and having disaster recovery processes in place.

10.2 Where as part of our Service we provide our equipment or Services which have the principal purpose of safeguarding the security of the Services, we will use reasonable efforts to ensure that, as at the date of installation, our equipment will comply with the agreed specifications for your equipment and/or Service. However, we provide no warranty as to the security of the Services.

10.3 You agree to let us know immediately if you become aware of any matters that you believe or might reasonably believe may constitute a threat to the security of the Services.

11. Start Date, Term of Agreement and Renewal

11.1 This Agreement will commence either

- (i) on the date notified by us to you following signature of the Order and completion of a satisfactory credit check if required by us, or
- (ii) on the date notified by us to you when we have received cleared funds and we have allocated and connected a specific telephone number, NGN or Code, as required by you.

11.2 This Agreement will continue for the Commitment Period and may be renewed in accordance with Clause 11.4 unless terminated earlier by either party in accordance with Clause 12.

11.3 We will use reasonable endeavours to commence Service by any agreed start date within the Order. All start dates are estimates and we cannot guarantee them nor will we accept any liability for failing to meet them, as time is not of the essence in relation to any matter within these Terms and Conditions other than where specifically stated in this Agreement.

11.4 Renewal of this Agreement and the Services provided under it may be undertaken in one of the following ways:

11.4.1 if you are a Small Business Customer you must notify us in writing if you wish to renew the Services at the expiry of the Commitment Period. We will advise you whether your Renewal has been accepted by us; or

11.4.2 if you are not a Small Business Customer, Renewal of the Agreement will be undertaken automatically unless you have terminated this Agreement in accordance with Clause 12.7.

11.5 Following Renewal, this Agreement will continue indefinitely thereafter until terminated by either you or us on 30 days' written notice to the other or otherwise in accordance with Clause 12.

12. Termination

12.1 If you fail to pay any Charges or fail to comply with your obligations under Clause 8 these failures will be considered to be material breaches for the purposes of Clause 12.2.

12.2 We may terminate this Agreement with you if you:

12.2.1 Fail to pay any sum outstanding and due to us within 7 days of receiving notice demanding payment;

12.2.2 Fail to reach the Usage Threshold or any minimum usage amount or value pre agreed with us for a period of 90 consecutive days;

12.2.3 Having been notified by us for being in material breach, fail to remedy that breach within 30 days of our notification, where such breach is capable of remedy;

12.2.4 Are in material breach and are unable to remedy that breach;

12.2.5 Commit persistent breaches;

12.2.6 Have any license (under which you have the right to run your own telecommunications business and connect it to Our Chosen Carrier's system); revoked or amended, or if such license ceases to be valid;

12.2.7 Make any arrangements with your creditors or become subject to an administrative order or go into liquidation, whether voluntary or compulsory (other than for the purposes of reconstruction or amalgamation), or an encumbrancer takes possession of, or a receiver is appointed in respect of any of your assets.

12.3 In the event of termination either before the end of the Commitment Period or the end of any renewal period you will, in addition to paying any unpaid Charges, be liable to pay us the cancellation charges as specified in the Tariff.

12.4 We may terminate this Agreement immediately on notice to you if Our Chosen Carrier's license is revoked or modified in any way which has a material impact on our ability to provide the Services to you and we are unable to offer substantively the same Service to you through one or more alternative carriers.

12.5 We may terminate this Agreement immediately on notice to you if we discover that an Unauthorised Alteration has been made to the Order or to these Terms and Conditions, or to the Tariff, or an Unauthorised Written Variation has been agreed with you.

12.6 Where you are permitted to terminate this Agreement due to reasons set out within Clause 8.6 you may provide us with 30 days written notice, which we shall accept, without penalty provided that you settle your final account within 14 days of our final invoice to you.

12.7 If you are not a Small Business Customer you may terminate this Agreement or any part or parts of the Services at the end of the Minimum Period, provided that you, our customer, have served us with requisite notice in accordance with clause 22 not less than 30 calendar days before and not more than 30 calendar days after the end of the Commitment Period. This period of notice provides us with adequate time to ensure our systems, relating to cessation of your service and any notices we are required to provide our suppliers are undertaken and also that our billing platform can make preparation for your final credit or debit invoice. Unless we are notified, we will therefore assume that you wish to continue service with us at the end of the Minimum Period.

12.8 Upon expiry of the Commitment Period or any fixed extended period following a Renewal, either party may terminate all or part of the Services by serving 30 days' notice in writing to the other party to expire at the end of any calendar month.

12.9 On termination each party agrees to return to the other party upon request any Confidential Information it has within its possession relating to the other party.

13. Cancellation and Suspension

13.1 You may cancel any part or parts of the Services or this Agreement in accordance with the termination provisions set out in Clause 12.

13.2 Subject to clause 13.3, if you cancel part or all of the Services during the Commitment Period and/or if your Usage is reduced as a result of the cancellation and/or a result of using an alternative service, you agree to pay us 100% of the average profit based on the last 3 months full billing in which periods you have made full use of the service for non-fixed charges, multiplied by the remaining number of months within the Commitment Period plus the remainder of any fixed rental charges, as compensation for loss of profit.

13.3 If you cancel our Service due to changes made to this Agreement or to the Services as a result of us serving you with notices under Clauses 8.5 and/or 9, you will not be liable to pay us for any of the Charges outlined in Clause 13.2, but you will remain liable for all other

Charges incurred up to the date of termination and cessation of the Services.

13.4 We may suspend the Services for as long as we deem necessary if:

13.4.1 You fail to meet your obligations in relation to Minimum Call Traffic or Usage Threshold under Clause 4.6;

13.4.2 We have reasonable grounds to believe that you or any third parties are using our Service for Unacceptable Use;

13.4.3 Technical limitations arise which materially affect functionality and performance of our Service;

13.4.4 If in our opinion your intentions or actions indicate that your conduct is likely to result in a breach of the law or is otherwise prejudicial to our interests;

13.4.5 Operational reasons, such as upgrades need to be undertaken or regular servicing or emergency maintenance is required; or

13.4.6 Our Chosen Carrier is required to comply with any instruction or request of a competent governmental, regulatory or other authority.

13.5 We will provide you where practical of notice of Our Chosen Carrier's intention to suspend the Service and, in relation to Clauses 13.4.3 to 13.4.6, where they have agreed with us that they will restore the Services as soon as they are reasonably able to do.

14. Force Majeure

14.1 Neither party will be liable to the other for any delay in performing any of its obligations under this Agreement (other than its obligation to pay the Charges) which have occurred as a result of an event of Force Majeure.

15. Intellectual Property

15.1 All intellectual property rights in Supplier Equipment remains with us or with our suppliers unless expressly stated otherwise within the Order.

15.2 Where any Software is provided to enable you to make use of the Services, we grant to you a non-exclusive non-transferable license to use the Software solely for the purpose of receiving the Services. Where any additional terms and conditions apply to the use of the Software we will make these known to you and you will if requested, sign an agreement reasonably required to protect the owner's rights in the Software.

15.3 You will not copy, decompile, or modify the Software without either our or Our Chosen Carrier's consent (except as permitted by law) and will not distribute or disclose the Software to any third party.

15.4 We have no obligation to review or edit any of your information or third party information which you store or transmit through our equipment or that of Our Chosen Carrier. However, we reserve the right to access, retain and disclose copies of such information for the purpose of:

15.4.1 Correcting, maintaining or improving the Service;

15.4.2 Complying with applicable laws, regulations and statutory instruments or terms of licenses and contracts relating thereto;

15.4.3 Observing the performance of the Services including monitoring service levels;

15.4.4 Retaining a record of activity on our equipment or that of Our Chosen Carrier;

15.4.5 Complying with a request for information from any court of competent jurisdiction or appropriately authorised body;

15.4.6 Ensuring that you do not contravene our policy concerning Unacceptable Use.

16. Confidentiality

16.1 Neither party will disclose to any third party, without the prior written consent of the other party, any Confidential Information which is received from the other party as a result of during the course of this Agreement save that we shall be permitted to disclose Confidential Information to a third party where this is necessary for the purposes of providing the Services. These restrictions will not apply where the Confidential Information is made or becomes generally available to the public other than by way of breach of this undertaking or where it is acquired by a third party who owes no duty of confidentiality to either party.

16.2 Notwithstanding the provisions of Clause 16.1 we shall be entitled to disclose Confidential Information where we are legally compelled to do so by any court of competent jurisdiction, by any governmental or regulatory authority or where there is a legal right, duty or requirement to disclose it.

17. Limitation of Liability

17.1 Neither party shall be entitled to limit its liability for death or personal injury caused by its negligence.

17.2 Our liability to you for Our Service Faults or any other Service Fault shall be limited to the amount of any Service Credits given in accordance with Clause 3.8.

17.3 Subject to Clauses 17.1 and 17.2 we cannot accept any liability (whether in contract, tort, under statute, for misrepresentation or otherwise) for any loss, damage or expense, including any direct or indirect loss such as consequential loss, loss of data, loss of income or profit, anticipated profits, anticipated savings, loss or damage to goodwill, loss or damage to property and/or loss from claims of third parties howsoever arising.

17.4 Subject to clauses 17.1 and 17.2, we disclaim any and all liability to you for the supply of the Services to the fullest extent permissible under applicable law. This does not affect your statutory rights as a consumer. If we are found liable for any loss or damage to you such liability is limited to the lower of £1,000 (one thousand pounds) or 15% of the annual aggregate Charges arising under this Agreement. Service Credits paid or credited by us to you

will be taken into account for the purposes of calculating the limitation amounts set out in this Clause 17.

17.5 Except as expressly set out in this Agreement and to the maximum extent permissible by law, all other warranties, terms and conditions whether express or implied are excluded.

17.6 We are not liable to you whether in contract, tort, under statute, for misrepresentation or otherwise for any acts or omissions by or of you or any third party, including other telecommunications providers, Our Chosen Carrier, computer suppliers, software suppliers, network and router suppliers and/or internet suppliers.

17.7 We shall not be held liable for any failure or delay in performing the Services where such failure arises as a result of a Force Majeure event.

17.8 We shall not be liable for any misrepresentations other than fraudulent misrepresentations.

17.9 The provisions of this Clause 17 shall continue to apply notwithstanding termination of the Agreement.

17.10 Each provision of this Agreement excluding or limiting our liability operates separately.

17.11 You must bring any legal proceedings against us within 12 months of the date when you first become aware or ought reasonably to have become aware of the facts or alleged facts giving rise to such liability or alleged liability or within the relevant statutory limitation period, whichever is the earlier.

18. Service Credits

18.1 Subject to the other provisions of this Agreement, for each minute of Our Service Fault you may be entitled to claim a Service Credit, save where:

18.1.1 It is caused by circumstances beyond the control of ourselves and that of Our Chosen Carrier;

18.1.2 The Service Fault is for less than 60 minutes, as calculated by Our Chosen Carrier, using data from their network;

18.1.3 We receive any claim from you for a Service Credit more than 30 days after the date and time of such event; or

18.1.4 You or your representatives or agent, or a third party by any act, neglect, default, error or omission have contributed or caused you to suffer the Service Fault.

18.2 In calculating a Service Credit we shall do the following:

18.2.1 We shall estimate the equivalent number of inbound and outbound minutes by reference to the immediate preceding month's minutes as set out in your relevant account(s) with us; and

18.2.2 We shall use the number of inbound and outbound minutes used by you, within the same time frame, as the Service Fault has occurred in the preceding month.

19. Assignment or Transfer

19.1 We may assign, sub-contract or otherwise transfer this Agreement to any third party, in our absolute discretion.

19.2 You may not assign, license or sub license, or transfer this Agreement to any third party, without our written consent. Where there is a change in control of your company or partnership or more than 50% of any equitable interest in your business is transferred, you will require our written consent. We shall take into account the history, quality, and standing of any assignee, licensee or sublicense, or transferee and where we have no reason to believe our agreement or interests will be diminished by such consent, our consent will not be unreasonably withheld.

20. Data Protection

20.1 All Customer Data shall be and shall remain your property subject always to any rights that any third party may have in such Customer Data.

20.2 You hereby grant to us and Our Chosen Carrier a non-exclusive, royalty-free, non-transferable licence for the Term to use the Customer Data, where necessary, for the sole purpose of providing the Services.

20.3 You acknowledge and consent to the disclosure of Customer Data to regulatory bodies, the police or Our Chosen Carrier (who in turn may disclose such Customer Data to regulatory bodies or the police) where this is lawfully required and necessary. You also acknowledge and consent to our disclosure of Customer Data to Our Chosen Carrier for its own use and that of its service providers. You hereby confirm that you have the necessary permissions in order to grant the consents required under this clause.

21. Disputes and Complaints

21.1 All complaints and disputes shall be handled by us in accordance with our Complaints Policy which is published on Our Website. Should you have a complaint or dispute regarding the Services or this Agreement, it should be referred by you to us in accordance with the Complaints Policy.

21.2 If the dispute is not resolved after the procedures detailed in Clause 21.1 have been followed then the parties agree to consider resolving the dispute by an Alternative Dispute Resolution (ADR) mechanism, including but not limited to:

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

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

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

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

22. Whole Agreement

22.1 This Agreement and any documents referred to therein contain the whole agreement between the parties and supersede all previous agreements. In the event of any conflict between this Agreement, the Order and any Written Variation under clause 17.9, the Written Variation shall take first precedence; these Terms and Conditions shall take second precedence; and the Order third precedence.

22.2 In entering into this Agreement no party may rely on any representation, warranty, collateral contract or other assurances (except those set out in this agreement) made by or on behalf of any other party and each of the parties waives all rights and remedies, which but for this sub-clause might otherwise be available provided that nothing in this sub-clause shall limit or exclude any liability for fraud.

22.3 Any third party who is not a party to this contract shall have no redress under the Contracts (Rights of Third Parties) Act 1999.

23. Law

This Agreement is governed by and shall be construed in accordance with English law and the parties hereby submit to the exclusive jurisdiction of the English courts. Nothing in this Agreement shall prevent us from applying to any court in any other jurisdiction for an injunction or other like remedy to restrain the Customer from committing any breach or anticipated breach of this Agreement and for damages and other consequential relief.

24. Service of Notices

24.1 Any notice or other communication to be given under these Terms and Conditions shall be in writing, shall be deemed to have been duly served on, given to or made in relation to a party if it is left at the address of that party

detailed in the Order or if posted by pre-paid first class post addressed to that party at such address and shall if:

24.1.1 personally delivered, be deemed to have been received at the time of delivery; or

24.1.2 posted to an inland address in the United Kingdom, be deemed to have been received on the second business day after the date of posting and if posted to an overseas address, be deemed to have been received on the fifth business day after the date of posting.

PROVIDED that where, in the case of delivery by hand, delivery occurs after 4.00 pm on a business day or on a day which is not a business day, receipt shall be deemed to occur at 9.00 am on the next following business day.

25. General

25.1 If any provision of this Agreement is invalid or unenforceable the remaining conditions shall continue to apply. This Agreement shall be binding on the parties hereto, their respective successors and permitted assigns, heirs and/or legal representatives.

25.2 Nothing in this Agreement shall create, or be deemed to create a partnership between the parties and neither of them shall have any authority to bind the other. Should either party to this Agreement fail to exercise any conferred rights or benefits, it shall not be considered a waiver of such rights or benefits.

25.3 Any waiver of any provision within this Agreement will not be effective unless made in writing, and such waiver headed 'Written Variation' and signed by an authorised signatory of both parties.