



Principle  
networks

# Principle Networks Ltd Terms and Conditions

## 1. Definitions & Interpretation

Where used in these Terms and Conditions of sale: “Authorized Representative” means any person who holds the job title and office of IT Manager, General Manager, Finance Director or Director, or any individual authorised to sign orders on behalf of the “Customer”

“Customer” means any individual person, entity, company, firm or organisation that purchases Products and/or Services from PRINCIPLE NETWORKS for use in its business or the business of a third party.

“Conditions” means these Terms and Conditions of Sale or any such successor standard terms and conditions that the Customer is notified are in full force and effect as of the date of a Contract.

“Contract” means any agreement for the purchase and sale of Products and/or the provision of Services by PRINCIPLE NETWORKS Ltd to the Customer which result from a Quotation being submitted to and accepted by the Customer in accordance with the Conditions. For clarity, the Contract shall comprise of the Quotation, the SLA (where applicable) and these Conditions.

“Contract Date” means the date upon which the Quotation is accepted by the Customer.

“Documents” means any document in writing, any map, plan, graph, drawing or photograph, any film, negative, tape or other device embodying visual images and any disc, tape or other device embodying any other data.

“Enhancement” means the enhancement or upgrade of any of the Products by the installation or addition of memory, co-processors, optional cards, manufacturer’s modifications and/or any other changes to the technical specifications or configuration of the Products.

“Fees” means the fees payable by the Customer to PRINCIPLE NETWORKS for the provision of the Products and/or Services as set out within the Quotation (including fees that will be paid on a recurring basis where Ongoing Services are provided by PRINCIPLE NETWORKS to the Customer throughout the duration of the Term) together with any additional charges applied to the Customer as provided for in clauses 7.3 and 7.4.

“Maintenance Services” means the equipment maintenance services, hardware or software set out in the Quotation and clause 5.

“Input Material” means any Documents or other materials, and any data or other information provided by the Customer relating to the Services.

“Ongoing Services” means the Services, Maintenance Services and/or the WAN Services (each if applicable) supplied by PRINCIPLE NETWORKS to the Customer as set out within the Quotation.

“Partner” means any third party organisation or subcontractor that PRINCIPLE NETWORKS elects to use to provide the Products and Services in accordance with clause 10.

“Products” means any goods or equipment, or any instalment or parts thereof, which are supplied by PRINCIPLE NETWORKS to Customer pursuant to a Contract, including any Third Party Products, including both hardware and software components, or a combination of both.

“Provisioned” means where Services are made available to the Customer for use.

“Input Material” means any material, including physical, logical and/or informational in nature that may be required by PRINCIPLE NETWORKS from the Customer, in order to execute delivery of, and/or commissioning of Products and Services

“Initial Service Term” means the fixed length of time that the Services shall be provided by PRINCIPLE NETWORKS to the Customer, commencing on the date that Services are Provisioned for the Term set out within the Quotation.

“Quotation” means the written quotation provided by PRINCIPLE NETWORKS to the Customer, setting out the Products and the Services being offered to the Customer, together with the Fees and the length of the Term.

“Resilient Fibre Leased-line and Secondary Service” means a pair of business grade, optical telecommunications connectivity services with a carrier backed SLA with a target fix time of 5 hours or less on a 24x7 basis or a single primary business grade optical connectivity service with a carrier backed SLA with a target fix time of 5 hours or less on a 24x7 basis and a lower performance secondary connectivity service that is deemed as acceptable workaround connectivity to the Customer in order to maintain end to end connectivity of the service in the event the primary connectivity is unavailable.

“Services” means any service (third party or otherwise) as set out within the Quotation and including Ongoing Services, Maintenance Services and WAN Services.

“Service Availability” means the measure of connectivity which is achieving availability of the end to end service and enabling the ongoing ability for the Customer’s users to access network resources on a 24/7 basis and which connectivity uptime is supported by the WAN Services.

“Service Credits” means financial remuneration owed to the Customer by PRINCIPLE NETWORKS due to an extended disruption of Service Availability.

“Single Fibre Leased-line Service” means a single, business-grade, optical telecommunications connectivity service with a carrier backed SLA with a target fix time of 5 hours or less on a 24x7 basis.

“Site” means the Customer’s premises or the site on which the Services are provided or to which the Products are delivered in accordance with the Quotation.

“SLA” means the service level agreement set out in Schedule 1 to these Conditions.

“**Term**” means the length of time that the Ongoing Services shall be provided by PRINCIPLE NETWORKS to the Customer, as more particularly set out within the Quotation as may be extended in accordance with clause 9.3.

“**Third Party Products**” means the products and equipment that are owned by PRINCIPLE NETWORKS and/or the Partners and used by the Customer as part of the Ongoing Services as set out within the Quotation.

“**WAN Services**” means the wide area network, support and maintenance services set out in the Quotation.

“**PRINCIPLE NETWORKS**” means PRINCIPLE NETWORKS Ltd, registered in England and Wales under company number 11341216, with a registered place of business at Citypoint, 1 Ropemaker Street, London, EC2Y 9HT.

## 2. General Terms of Contract

- 2.1 Every Contract between PRINCIPLE NETWORKS and the Customer shall be subject to these Conditions. No additional or alternative terms or conditions or any alteration to these Conditions proposed by the Customer shall be deemed to apply unless they are expressly accepted in writing by an Authorised Representative of PRINCIPLE NETWORKS with respect to that Contract.
- 2.2 Where there is a conflict between the Conditions or the Quotation, the Conditions shall prevail.
- 2.3 PRINCIPLE NETWORKS will use reasonable efforts to notify the Customer of any material changes to these Conditions before they become applicable, but it is the sole and exclusive responsibility of the Customer to ensure that it is familiar with the most current set of Conditions which apply to any Contract between PRINCIPLE NETWORKS and the Customer.
- 2.4 Customer shall be deemed to have accepted these Conditions by the earlier of: (i) submitting a written acceptance of the Quotation to PRINCIPLE NETWORKS, or (ii) accepting the Products and/or the Services from PRINCIPLE NETWORKS.
- 2.5 Notwithstanding the foregoing, the Customer agrees that PRINCIPLE NETWORKS’s provision of a Quotation submitted by PRINCIPLE NETWORKS shall constitute an offer to contract subject to these Conditions. No other information shall be considered an offer by PRINCIPLE NETWORKS to sell the Products and/or provide the Services at any other prices, or subject to any other terms and conditions.
- 2.6 Unless stated otherwise, a quotation shall only be valid for a period of thirty (30) days from its date of issue.

## 3. Products

This clause applies to the provision of Products by PRINCIPLE NETWORKS to the Customer:

- 3.1 PRINCIPLE NETWORKS shall supply the Products to the Customer in accordance with the Contract.

### Warranty

- 3.2 PRINCIPLE NETWORKS warrants the correct functioning of each item of Product for a period of ninety (90) days from its date of delivery to the premises of the Customer. During the warranty period, PRINCIPLE NETWORKS shall (at its option) repair or replace faulty Products as soon as reasonably practicable time after being notified of the defect and being allowed a reasonable period of time to inspect the fault. All claims shall be notified in writing within the warranty period. The warranty contained within this clause does not form part of the Maintenance Services or WAN Services and is not subject to the SLA.

### Title and Risk

- 3.3 Subject to clause 3.7, until PRINCIPLE NETWORKS has been paid in full for the Products, the Products will remain the property of PRINCIPLE NETWORKS.
- 3.4 Risk of loss or damage to the Products shall pass to the Customer: (i) upon delivery; or (ii) if the Customer unjustifiably fails to take delivery of the Products, at such time as delivery is tendered by PRINCIPLE NETWORKS.
- 3.5 The Customer shall insure the Products for the invoice value from the date delivery is made or tendered.
- 3.6 Until such time as title in the Products passes to the Customer, the Customer shall (i) hold the Products as PRINCIPLE NETWORKS’s fiduciary agent and bailee; and (ii) store all of the Products in such a way as to be clearly separate and identifiable from the Customer’s other products and equipment; and (iii) keep the Products in their original packaging, properly stored, protected, insured and identified as PRINCIPLE NETWORKS’s property. This clause 3.6 shall not apply to Third Party Products.
- 3.7 Where PRINCIPLE NETWORKS supplies Third Party Products to the Customer, PRINCIPLE NETWORKS, or the Partner (as the case may be) shall at all times retain the ownership of the Third Party Products and the Customer shall have no interest in the Third Party Products, save as to use the Third Party Products, and insure them, as provided by these Conditions. Notwithstanding that the Third Party Products may have been affixed to any land or building, PRINCIPLE NETWORKS, or the Partner (as the case may be) shall continue to be the owner of them and they shall as between PRINCIPLE NETWORKS and the Customer remain the

property of PRINCIPLE NETWORKS, or the Partner (as the case may be) and shall be returned to PRINCIPLE NETWORKS at the end of the Term, or (if sooner) the date of termination of the Contract in accordance with clause 9 at the Customer's expense.

#### **Damage & Loss in Transit**

- 3.8 Any error, loss, damage or destruction of the Products discovered by the Customer in delivery shall not entitle the Customer to rescind the remainder of a Contract.

## **4. Services**

- 4.1 PRINCIPLE NETWORKS shall supply the Services to the Customer in accordance with the Contract at the Site for the Term. Any changes or additions to the Services or the Contract must be agreed in writing by PRINCIPLE NETWORKS and the Customer.
- 4.2 The Customer shall (at its own expense) supply PRINCIPLE NETWORKS with all reasonably necessary Input Material to allow PRINCIPLE NETWORKS to facilitate the Services. The Customer acknowledges that PRINCIPLE NETWORKS may be unable to fully carry out its obligations under the Contract without the Input Material.
- 4.3 The Customer shall at its own expense retain duplicate copies of all Input Material.
- 4.4 PRINCIPLE NETWORKS may correct any typographical or other errors or omissions in a Quotation prior to a Quotation being accepted by the Customer.
- 4.5 PRINCIPLE NETWORKS may at any time by giving reasonable prior notice the Customer make any changes to the Services which are necessary to comply with any applicable safety or other statutory requirements, or which do not materially affect the nature or quality of the Services.
- 4.6 Where Services relate to the provision of training it will be provided at the venue and by trainers in accordance with the Quotation.

#### **Warranty**

- 4.7 PRINCIPLE NETWORKS warrants that it will perform the Services with reasonable skill and care and will exercise that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking under the same or similar circumstances.

#### **Products**

- 4.8 PRINCIPLE NETWORKS shall use reasonable endeavours to ensure that PRINCIPLE NETWORKS and / or the Partner commences to install the Products and provides the Services on the date, and at the Site, that PRINCIPLE NETWORKS notifies to the Customer from time to time. PRINCIPLE NETWORKS shall notify the Customer when the installation is complete.
- 4.9 The Customer shall be deemed to have accepted the Products within fifteen (15) working days of being notified that installation is completed provided that the Customer has not notified PRINCIPLE NETWORKS or any defects in the Products or their installation. Fees will be calculated from the date of the completed installation.
- 4.10 The Customer must ensure that any of the Products that are attached (directly or indirectly) to any Services is technically compatible with the Services and approved for that purpose under any relevant legislation, save in respect of Products attached directly or indirectly to such Services by PRINCIPLE NETWORKS, for which PRINCIPLE NETWORKS remains liable for ensuring such technical compatibility and approval.
- 4.11 The Customer must ensure that any of the Products that are connected to or used with the Service must be connected and used in accordance with any instructions, safety or security procedures applicable to the use of those Products, save in respect of Products that are connected to or used with such Services by PRINCIPLE NETWORKS, for which PRINCIPLE NETWORKS remains liable for ensuring such connection and use is made in accordance with any instructions, safety or security procedures applicable to the use of those Products.
- 4.12 In the event that PRINCIPLE NETWORKS is unable to provide the Services as a result of any action or omission by the Customer PRINCIPLE NETWORKS shall be entitled to suspend the Services by giving reasonable notice until such time as PRINCIPLE NETWORKS is reasonably able to recommence the supply of Services. During the suspension of Services the Customer shall continue to pay the amounts due or which become due under the Contract. At the end of any such suspension the Customer shall pay to PRINCIPLE NETWORKS the reasonable cost of recommencing the Services.
- 4.13 The Customer shall provide PRINCIPLE NETWORKS and any Partner with access to the Products for the purposes of maintenance as PRINCIPLE NETWORKS or the Partner may reasonably require.
- 4.14 Where a Partner's warranty exists in relation to the Products, PRINCIPLE NETWORKS shall, upon request from the Customer, use reasonable endeavours to enforce the warranty against the Partner or pass on the benefit of the warranty to the Customer. PRINCIPLE NETWORKS reserves the right to charge the Customer a reasonable administration fee in carrying out such enforcement action at the Customer's request.

## 5. Maintenance Services

- 5.1 The Maintenance Services shall be provided by PRINCIPLE NETWORKS to the Customer in accordance with the SLA and shall consist of: (a) Corrective maintenance in respect of faulty or defective Products to return the Products to full working order; (b) Where corrective maintenance cannot be carried out, the supply (at PRINCIPLE NETWORKS's expense) and fitting of replacement parts. Those replacement parts may be refurbished or reconditioned parts. When replacement parts are fitted the parts removed shall immediately become the property of PRINCIPLE NETWORKS. PRINCIPLE NETWORKS reserves the right to use equipment of a similar or higher specification if exact spares are unavailable for any reason (c) Attendance by an engineer within the parameters and timescales specified within the SLA attached to the Quotation.
- 5.2 In the event of the Customer requiring PRINCIPLE NETWORKS to provide Maintenance Services to additional equipment then such equipment shall be listed on a new Quotation agreed between PRINCIPLE NETWORKS and the Customer and shall form a new Contract.
- 5.3 At PRINCIPLE NETWORKS's request all Hardware Maintenance Service work shall be acknowledged by the signature of an Authorised Representative of the Customer.
- 5.4 In the event of a Contract for Ongoing Services being entered into at any time subsequent to the sale or delivery of the Products to the Customer by PRINCIPLE NETWORKS or where the Customer has installed the Products themselves then: (a) PRINCIPLE NETWORKS may within a reasonable time carry out an inspection of the Products and if the Products are in need of repair or replacement PRINCIPLE NETWORKS will notify the Customer and if requested by the Customer carry out the repair or replacement at the Customer's expense at PRINCIPLE NETWORKS's then current rates. (b) Should PRINCIPLE NETWORKS not carry out an inspection or the Customer declines to have work maintenance or replacement of the Products carried out under clause 5.4(a) then any subsequent repair or replacement of those Products shall be carried out at the Customer's expense at PRINCIPLE NETWORKS's then current rates.
- 5.5 If there is a failure or deficiency in the supply of the Maintenance Services by PRINCIPLE NETWORKS, the Customer shall where it is reasonably possible to do so provide PRINCIPLE NETWORKS with a reasonable opportunity to correct such failure or deficiency.

### Enhancements

- 5.6 The Customer shall not carry out any Enhancements to the Products without the prior written consent of PRINCIPLE NETWORKS.
- 5.7 Where PRINCIPLE NETWORKS agrees that Enhancements can be made to the Products, PRINCIPLE NETWORKS shall advise the Customer of any additional Fees and additional changes to the Contract that shall be required for PRINCIPLE NETWORKS to provide the Ongoing Services to the Products following the Enhancement. Subject to agreement of the new Fees and the additional changes to the Contract, the Contract shall continue so that the Enhancements are included in the "Equipment" from the date that the Enhancement's are made.
- 5.8 The Fees referred to in clause 5.7 above shall be increased to such sum as PRINCIPLE NETWORKS shall reasonably require to take account of the Enhancement referred to in Clause 5.6.

## 6. WAN Services

- 6.1 The WAN Services shall be provided by PRINCIPLE NETWORKS to the Customer in accordance with the SLA and shall consist of:
  - (a) The provision and installation of wide area network bandwidth and the provision and installation of relevant hardware at the Site to terminate this bandwidth, as set out within the Quotation,
  - (b) The ongoing support and management of the wide area network bandwidth and the relevant hardware as outlined in clause 6.1(a) above.
  - (c) The provision of on site and remote engineering resources (including the management of third parties) to deal with wide area network bandwidth and hardware faults as set out within the Quotation and the SLA.
- 6.2 At PRINCIPLE NETWORKS's request all WAN Maintenance Service work carried out by PRINCIPLE NETWORKS shall be acknowledged by the signature of an Authorised Representative of the Customer.
- 6.3 If there is a failure or deficiency in the supply of the WAN Services by PRINCIPLE NETWORKS, the Customer shall where it is reasonably possible to do so provide PRINCIPLE NETWORKS with a reasonable opportunity to correct such failure or deficiency.

## 7. Fees

- 7.1 The Fees shall be payable by the Customer to PRINCIPLE NETWORKS for the Products and the Services in such amounts, and on such dates, as set out in the Quotation.

- 7.2 The Fees for a Service will be fixed for the Initial Service Term of that Service. After the expiry of the Initial Service Term of a Service, PRINCIPLE NETWORKS may increase the Fees for any Service provided in conjunction with a Partner, in line with increases from a Partner, providing the Customer not less than thirty (30) days written notice (“**Increase Notice Period**”). PRINCIPLE NETWORKS will make reasonable endeavours to eliminate increases in Fees to the Customer where possible, or migrate the Service to a different Partner where feasible and at the written request of the Customer will evidence any Partner Fee increases. The Customer shall be entitled to cease the Service where it does not accept any increase in the Fees, upon providing ninety (90) days written notice to PRINCIPLE NETWORKS. If the Customer fails to provide PRINCIPLE NETWORKS with written notice of termination within the Increase Notice Period, the Customer shall be deemed to have accepted the increase in Fees and only Services provided after the expiry of the Increase Notice Period shall be at the increased Fees.
- 7.3 PRINCIPLE NETWORKS reserves the right to increase the Fees after the Contract Date (and before delivery) to reflect any increase in the cost of the Products and/or the Services that is due to any change in delivery dates, quantities or specifications for the Products and/or the Services which are requested by the Customer or any delay caused by any instructions of the Customer or failure of the Customer to give PRINCIPLE NETWORKS adequate information or instruction, by either (i) invoicing Customer for the Customer’s proper list price on the date of the Contract, or (ii) allowing Customer to return such Products (if delivered) to PRINCIPLE NETWORKS or cancel such Services, and crediting Customer for the Fees paid by Customer for such Products and/or the Services (to the extent that such Services have not yet been provided)
- 7.4 All fees and charges set out within the Quotation are exclusive of packaging and delivery costs, and applicable value added tax (VAT), sales, use or consumption taxes for which the Customer shall be additionally liable for paying to PRINCIPLE NETWORKS as part of the Fees.
- 7.5 The Fees exclude any waste and environment fees and similar charges that PRINCIPLE NETWORKS by law or statute may be required to charge or collect upon in accordance with such laws or statutes.

## 8. Payment

- 8.1 PRINCIPLE NETWORKS shall invoice the Customer on the dates and timescales set out within the Quotation. In the absence of any such dates or timescale PRINCIPLE NETWORKS shall invoice the Customer following the date that PRINCIPLE NETWORKS have notified the Customer that the Services and the Products are made available for delivery.
- 8.2 The Customer shall pay the Fees, without any deduction or set-off, within thirty (30) days from the date of the invoice.
- 8.3 Timely payment is of the essence for all sums due pursuant to these Conditions.
- 8.4 If payment is made by credit or debit card then the Customer agrees to pay all fees and service charges incurred by PRINCIPLE NETWORKS in handling such transactions, including fees charged by the credit or debit card company.
- 8.5 If (i) Customer fails to make any payment under any Contract when due; or (ii) any distress or execution is levied upon the Customer’s property or assets; or (iii) the Customer makes or offers any arrangement or composition with its creditors; then PRINCIPLE NETWORKS shall be entitled to take any or all of the following courses of action:
- (a) by notice of not less than five (5) working days, suspend or determine any Contract or any part thereof, without liability, for which payment has not already been made by the Customer, and where the Services are suspended and then recommended PRINCIPLE NETWORKS may charge the reasonable cost of recommending the Services;
  - (b) charge the Customer interest, both pre- and post judgment, at the rate of ten percent (10%) per annum to accrue daily until full payment is made to PRINCIPLE NETWORKS.
  - (c) alter the Customer’s payment terms, which may include withdrawing or altering any credit limit previously granted, requiring prepayment, and demanding adequate assurance of due performance by the Customer through the provision of a bank guarantee.

## 9. Term and Cancellation

- 9.1 Save as expressly set out in this Contract, the Contract may not be cancelled or rescheduled by Customer except with written agreement by a director of PRINCIPLE NETWORKS and on terms that all of the Fees that are payable under Contract shall become immediately due.
- 9.2 Subject to Clauses 9.3, 9.4 and 9.5 the terms of the Contract shall commence on the date of the Contract.
- 9.3 Where the Contract is for Ongoing Services, the Contract will automatically be renewed at the end of the Initial Service Term continuing until either party gives the other party not less than ninety (90) days written notice to terminate the Contract.
- 9.4 The Customer shall give PRINCIPLE NETWORKS at least ninety (90) days' notice in writing prior to the removal of any Products from the Site for which PRINCIPLE NETWORKS is providing Ongoing Services. PRINCIPLE NETWORKS shall advise the Customer of any additional Fees and additional changes to the Contract that shall be required for PRINCIPLE NETWORKS to provide the Maintenance Services at the new Site. Should the Products be moved to a new location for which PRINCIPLE NETWORKS is reasonably unable to provide the Maintenance Services without incurring material additional expenditure then PRINCIPLE NETWORKS may terminate the Contract in relation to that particular Product with effect from the date of removal of the Products and all Fees relating to the provision of Maintenance Services for those Products will be immediately due and payable.
- 9.5 Without prejudice to any other right or remedy contained in these Conditions, either party will have the right to terminate the Contract if the other party:
- (a) commits a material breach of any term of this Contract and (if that breach is remediable) fails to remedy that breach within thirty (30) days of that party being required in writing to do so;
  - (b) repeatedly breaches any of the terms of this Contract in a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Contract;
  - (c) ceases or threatens to cease to carry on business; and/or
  - (d) is wound up or have a petition for winding up presented against it or have its assets sequestered or pass a resolution for winding up or summon a meeting to pass any such resolution or is declared or becomes insolvent or bankrupt, has a moratorium declared in respect of any of its indebtedness, enters into administration, receivership, administrative receivership or liquidation or threatens to do any of these things, takes or suffers any similar action in any jurisdiction or any step is taken (including, without limitation, the making of an application, the entering into of a board resolution or the giving of any notice) by it or by any other person in respect or any of these circumstances.
- 9.6 The termination of the Contract (whether under this Clause or otherwise) shall not relieve either party of any obligation already incurred under these Conditions and failure by either party in any one or more instances to terminate the Contract on account of any default or breach by the other party shall not constitute a waiver of the same or of any default or breach.
- 9.7 Upon the termination of the Contract, by PRINCIPLE NETWORKS in accordance with clause 9.5 the Customer shall pay all Fees and other charges due and payable pursuant to the Contract, such Fees and charges are payable forthwith without deduction or set off any such amounts.

## 10. Third party Partners

- 10.1 PRINCIPLE NETWORKS may deliver all or any portion of the Contract, including the supply of the Products or Services by the use of a Partner.

## 11. Customers Obligations

- 11.1 The Customer will:
- (a) provide PRINCIPLE NETWORKS (and its agents and sub-contractors) with all Input Material and such other information, cooperation, assistance, facilities and computer resources as it reasonably requires enabling it to perform the Services;
  - (b) give prompt attention to any matter raised by PRINCIPLE NETWORKS relating to Customer's obligations and the performance of the Services;
  - (c) take reasonable care of the Products and operate it in a suitable environment as recommended by the manufacturers of the Products.
  - (d) operate the Products with a suitable stable power supply free from surges and fluctuations as recommended by the manufacturers of the Products
  - (e) not, where PRINCIPLE NETWORKS is providing Maintenance Services maintain, alter or adjust the Products except with the prior consent of PRINCIPLE NETWORKS.
  - (f) give PRINCIPLE NETWORKS (and its employees, agents, Partners or otherwise) full access to the Site and the Products for the provision of the Services, and shall ensure that there is not less than one employee, or representative of the Customer, present at the Site at all times when PRINCIPLE NETWORKS is providing the Services at the Site.

11.2 To the extent that the Customer does not fulfil its responsibilities under the Contract, then the Customer acknowledges that PRINCIPLE NETWORKS's performance of its obligations may be adversely affected or delayed and (without prejudice to PRINCIPLE NETWORKS's rights and remedies):

- (a) PRINCIPLE NETWORKS reserves the right to charge the Customer for resources assigned to performing the Services even if not utilised (including the wasted time costs of any PRINCIPLE NETWORKS employees, agents or subcontractors);
- (b) PRINCIPLE NETWORKS reserves the right to change the scope of the Services or any timetable for their performance, but PRINCIPLE NETWORKS shall first consult with Customer and act reasonably.
- (c) PRINCIPLE NETWORKS's Fees and any estimates may be affected; and
- (d) PRINCIPLE NETWORKS will be relieved of its obligations to the Customer to the extent that PRINCIPLE NETWORKS is prevented from performing the Services in accordance with the Contract.

11.3 To the extent that PRINCIPLE NETWORKS or a Partner are unable to provide the Services as a result of the Customer not complying with PRINCIPLE NETWORKS requirements (notified to the Customer from time to time in sufficient time and acting reasonably) in relation to the preparation of the Site and the Products, then PRINCIPLE NETWORKS (without prejudice to any other remedy that it may have) reserves the right to charge the Fees to the Customer, in full.

## 12. Delivery and Timing

12.1 Any dates quoted for delivery of the Products and/or the provision of the Services are approximate only and PRINCIPLE NETWORKS shall not be liable for any delay in delivery however caused. Time for delivery shall not be of the essence unless agreed in writing by PRINCIPLE NETWORKS. Any Products or Services may be delivered/provided by PRINCIPLE NETWORKS in advance of the quoted delivery date upon giving reasonable notice to Customer.

12.2 The Customer agrees to accept partial delivery of the Products and/or the provision of the Services ordered unless agreed by the parties in writing. Failure by PRINCIPLE NETWORKS to deliver any one or more of the instalments in accordance with these Conditions or any claim by Customer in respect of any one or more instalments shall not entitle Customer to treat a Contract as repudiated or to cancel any other instalment. Where the Products and/or the Services are delivered/provided in instalments, each delivery shall constitute a separate Contract commencing from the date the Products are shipped and/or the date the Services are Provisioned.

## 13. Publications & Specifications.

Any specifications, descriptions, photographs, capacities or illustrations contained in any price lists, proposals, advertising matter or publications of PRINCIPLE NETWORKS are intended to be approximate only and shall not form part of a Contract, constitute a representation, warranty or condition regarding any Products and/or the Services unless specifically agreed by written agreement between the Customer and PRINCIPLE NETWORKS.

## 14. Service Availability and Service Credits

14.1 The provision of this clause 13 shall not apply where Service Availability is affected for any of the following:

- (a) Services are suspended where PRINCIPLE NETWORKS is obliged to comply with an order, instruction or request of Government, an emergency services organisation, or other competent administration.
- (b) Where PRINCIPLE NETWORKS identifies the need to carry out maintenance and provides the Customer reasonable notice, typically five (5) days, unless in an emergency where PRINCIPLE NETWORKS may need to make disruptive changes without prior notification.
- (c) Services are suspended due to the Customer's failure to comply with payment terms outlined in clause 8.
- (d) Service Availability is maintained due to the provision of an equal or lower performing service.
- (e) The Customer does not willingly and proactively provide twenty-four (24) hour Site access to PRINCIPLE NETWORKS or a Partner in order to aid resolution of the Service in a timely fashion.
- (f) Services are adversely affected by a Force Majeure Event as such term is defined in clause 18.1.

14.2 The Customer will be entitled to a Service Credit in all other instances for the affected Service only where an extended period of disruption affects Service Availability of a period longer than 12 hours, calculated hourly based on the Contract value of the specific Service in question divided by the number of hours in a year with 365.25 days (8,766 hours).

14.3 Service Credits will be issues to the Customer by PRINCIPLE NETWORKS in accordance with the Customer's Contract payment terms and issued on the anniversary of the next payment date.

14.4 Where the origin of the fault is unclear PRINCIPLE NETWORKS will make reasonable efforts to help the Customer identify the cause of the disruption to Service Availability. Where the disruption to Service Availability is not found to be caused by Services provided by PRINCIPLE NETWORKS reserves the right to issue a charge for any investigation provided by it's employees or agents based on their typical engineering rates at the time in question.



## 15. Limitation of Liability

- 15.1 PRINCIPLE NETWORKS total liability for any direct loss or damage under contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with these Conditions and any Contract shall be limited to, and shall under no circumstances exceed, the sum of £1,000,000.00.
- 15.2 PRINCIPLE NETWORKS shall have no liability for a claim under a Contract until PRINCIPLE NETWORKS has received payment of the Fees due and payable under that Contract at the time of the event giving rise to the claim.
- 15.3 PRINCIPLE NETWORKS shall not under any circumstances be liable to the other party for any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses; however caused (whether caused by the negligence of the party concerned, its agents, Partners or otherwise) which arise out of or in connection with a Contract, even if that party or its Partners have been advised of the possibility of such loss, liability or damages.
- 15.4 PRINCIPLE NETWORKS is not liable for manufacturer's defects to the Products and Solutions, or the resultant use thereof.
- 15.5 Clauses 15.1, 15.2 and 15.3 will not and nothing else in any Contract shall limit either party's liability for:
- (a) death or personal injury resulting from negligence; or
  - (b) fraud or fraudulent misrepresentation; or
  - (c) breach of the terms implied by section 12 of the Sale of Goods Act 1979; or
  - (d) breach of section 2 of the Consumer Protection Act 1987.

## 16. Confidential Information

- 16.1 A party (Receiving Party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Receiving Party by the other party (Disclosing Party), its employees, agents or subcontractors, and any other confidential information concerning the Disclosing Party's business, its clients, customers or its products or its services which the Receiving Party may obtain. The Receiving Party shall restrict disclosure of such confidential information to such of its employees, agents or subcontractors as need to know it for the purpose of discharging the Receiving Party's obligations under the Contract, and shall ensure that such employees, agents or subcontractors are subject to obligations of confidentiality corresponding to those which bind the Receiving Party. It is acknowledged that PRINCIPLE NETWORKS shall be permitted to disclose details to the Partner for the purposes of discharging its obligations under the Contract. This clause 16 shall survive termination of the Contract.

## 17. Acceptable Usage

- 17.1 Any Service supplied by PRINCIPLE NETWORKS or its Partners may only be used by the Customer for lawful purposes, and the Customer agrees that in relation to the use of the Service it shall not (and shall not authorise or permit any third party to):
- (a) use any Service supplied by PRINCIPLE NETWORKS or its Partners for the transmission of any information, data or other material which is in violation of any law or regulation, or which is defamatory, menacing, obscene, threatening or against human rights or in breach of any third party intellectual property right (including copyright) or in breach of trade secrets ("Prohibited Material"); or
  - (b) Use the Service supplied by PRINCIPLE NETWORKS or its Partners for the transmission of any material that contains software viruses, malware or any other computer code, files or programs designed or intended to interrupt, destroy or limit the functionality of any computer software or hardware or telecommunications equipment; or
  - (c) Use the Service supplied by PRINCIPLE NETWORKS or its Partners for mail-bombing, spamming or sending of unsolicited email messages to ten or more individual email recipients where the message could reasonably be expected to cause complaint or offence to some or all of the recipients; or
  - (d) attempt to gain unauthorised access to any account or computer resource not belonging to the Customer, or attempt the authorised accessing, altering, interfering with, monitoring, or destruction of any Network, System, equipment or information by any means or device.
- 17.2 Any breach of this clause 17.1 shall be deemed to be a material breach of Contract and shall entitle PRINCIPLE NETWORKS to terminate the Contract forthwith and for this purpose it shall be irrelevant whether the Customer is aware of the content of any information, data or material so transmitted or not. PRINCIPLE NETWORKS may suspend the Service without notice with immediate effect if in PRINCIPLE NETWORKS reasonable opinion, the Customer is in breach of this Clause.
- 17.3 The Customer acknowledges that PRINCIPLE NETWORKS and its Partners are unable to exercise control over the content of the information, data and other material passing over any network or Service supplied by PRINCIPLE NETWORKS or its Partners and

PRINCIPLE NETWORKS and its Partner hereby exclude all liability of any kind for the transmission or reception of Prohibited Material of any nature.

17.4 The Customer hereby agrees to indemnify and hold PRINCIPLE NETWORKS and its Partners harmless from and against any claim brought by a third party resulting from the use of any Service supplied by PRINCIPLE NETWORKS or its Partners, including but not limited to infringement of any intellectual property right of any kind, and breach of any legislation or regulation, or otherwise arising out of or in connection with any Prohibited Material. The Customer shall pay all costs, damages, award, fees (including reasonable legal fees) and judgements awarded against PRINCIPLE NETWORKS and/or its Partners arising from such claims and shall provide PRINCIPLE NETWORKS and/or its Partners with prompt notice of such claims, full authority to defend, compromise or settle such claims and all reasonable information, assistance and cooperation necessary to defend such claims, at the Customer's sole expense. Any such actions shall be taken in consultation with the Customer.

## 18. Force Majeure

18.1 **Force Majeure Event** means any circumstance not within a party's reasonable control including, without limitation:

- (a) acts of God, flood, drought, earthquake or other natural disaster;
- (b) epidemic or pandemic;
- (c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;
- (d) nuclear, chemical or biological contamination or sonic boom;
- (e) any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition; and
- (f) collapse of buildings, fire, explosion or accident.

18.2 Provided it has complied with clause 18.3, if a party is prevented, hindered or delayed in or from performing any of its obligations under this Contract by a Force Majeure Event ("**Affected Party**"), the Affected Party shall not be in breach of this Contract or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.

18.3 The Affected Party shall:

- (a) as soon as reasonably practicable after the start of the Force Majeure Event, notify the other party of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under the agreement; and
- (b) use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

18.4 If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than thirty (30) days, the party not affected by the Force Majeure Event may terminate this Contract by giving seven (7) days' written notice to the Affected Party.

## 19. General

19.1 The Contract constitutes the entire agreement between the parties, supersedes any previous agreement or understanding and may not be varied except in writing between the parties. All other terms and conditions express or implied by statute or otherwise are excluded to the fullest extent permitted by law.

19.2 Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to the other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

19.3 No failure or delay by either party in exercising any of its rights under the Contract shall be deemed to be a waiver of that right, and no waiver by either party of any breach of the Contract by the other shall be considered as a waiver of any subsequent breach of the same or any other provision.

19.4 If any provision of the Contract is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Conditions and the remainder of the provisions in question shall not be affected.

19.5 The Contract shall not be construed as creating a relationship of employer and employee, principal and agent or a partnership or joint venture between the parties.

19.6 PRINCIPLE NETWORKS and the Customer can transfer this Contract, with the written consent of the other.

19.7 No term of the Contract will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

19.8 The construction, validity and performance of this Contract shall be governed by English Law and subject to the non-exclusive jurisdiction of the courts of England.

## Schedule 1 - Service Level Agreement (“SLA”)

Upon delivery of the Services defined in a Quotation, PRINCIPLE NETWORKS will provide telephone, remote and if necessary on-site support in accordance with the service levels set out below in order to identify and rectify a failure or degradation in performance of the systems supported by PRINCIPLE NETWORKS (a “Fault”)

All P1 and P2 Faults must be raised via telephone only on **03330 124 003** to the 24/7 Servicedesk provided under the Contract. P3 and P4 Faults may also be raised by email to [servicedesk@principle-networks.com](mailto:servicedesk@principle-networks.com)

The priority of a Fault will be defined by the Customer who will assign the priority of the Fault in strict accordance with the following definitions in Table 1 (the “Priority”):

**Table 1 – Priority Level Definitions**

Priority	Description
P1	A business-critical service is non-operational and impacting the Customer organisation, multiple users or multiple sites; or Severe functional error or degradation of service affecting production, demanding immediate attention. Business impact/risk is severe.
P2	A failure or performance degradation that severely impairs operation of a critical business service; or the client or service has been affected, although a workaround may exist; or application functionality is lost; or significant number of users or major site is affected. Business impact/risk is high.
P3	A problem that causes moderate to low business impact. The impact is limited to a small number of users; or incident has moderate, not widespread impact; or the customer or service may not have been affected. Business impact/risk is moderate.
P3	Standard service request; Change request; Enquiry; or updating documentation; system patch or upgrade. Low or Minor localised impact.

“**Target Fix Time**” is defined as the target time to resolve a Fault, in order to restore service back to its original and functional operation and performance.

“**Response**” is defined as the time taken by PRINCIPLE NETWORKS and its partners, sub-contractors and agents to acknowledge a support call by the Customer to the Servicedesk and to allocate suitably skilled and experienced person(s) to diagnose and correct the reported Fault and to have entered into communication with the Customer point of contact about the Fault and its rectification and to start work on the rectification of the Fault.

“**Response Time**” is defined as the time taken to provide a Response and the targets are defined in the table below:

**Table 2 – SLA**

Priority	Response Time	Target Fix Time	Operational hours of Response
P1	30 minutes	4 hours – Maintenance Services or 5 hours – WAN Services	24 hours, 7 days a week, 365 days a year
P2	30 minutes	8 hours	24 hours, 7 days a week, 365 days a year
P3	120 minutes	32 hours	Monday – Friday 8am – 5:30pm
P4	4 hours	48 hours	Monday – Friday 8am – 5:30pm

### Service Availability and Service Credits

In relation to Connectivity as defined in the Quotation only, PRINCIPLE NETWORKS will provide a Service Availability of:

- 99.87% target uptime on a Single Fibre Leased-line Service
- 99.99% target uptime on a Resilient Fibre Leased-line and Secondary Service

## Document Control, Detail and Change

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### Document Validity and Reference Documentation

This document will be reviewed when changes are made or as part of the annual Principle Networks internal audit process. Any reference documentation and appendices listed within this document will also be reviewed and updated where necessary.

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