

This Service Schedule should be read in conjunction with the General Terms and Conditions (a copy of which can be found at <https://www.bluesource.co.uk/about/privacy-governance-terms/>), the appropriate Work Order and Microsoft Cloud Agreement.

## 1 SERVICE OVERVIEW

MICROSOFT ONLINE SERVICES, permits the Customer to procure Microsoft Online Services through bluesource, utilising a framework agreement to facilitate the purchase of various Online Service subscriptions.

Each order from the Customer to bluesource for Microsoft Online Services (the **“Product”**) shall be deemed to be an offer by the Customer to purchase the relevant Subscription and for bluesource to provide Support subject to the terms of this Service Schedule (the **“Terms”**) and the Microsoft Cloud Agreement. The Customer understands and agrees that the latest version of the Microsoft Cloud Agreement shall apply to any new Subscription or renewal of a Subscription.

Any quotation given by bluesource for Products shall not constitute an offer and is valid only for the period stated in it or if no period is stated a period of 30 days from its date, provided that bluesource has not previously withdrawn it.

For the purpose of this Service Schedule, in addition to the definitions in the General Terms and Conditions, the following apply:

<b>“Commitment Offering”</b>	a commitment by the Customer to purchase a specific quantity of Products for use during a Term;
<b>“Customer Information”</b>	the information that the Customer provides bluesource in relation to the Products (including all relevant details which relate to the Customer’s requirement for the provision of the Products and as such, part of the Support Data);
<b>“Designated Administrators”</b>	the Customer’s administrators who are appointed in accordance with clause 13 to obtain and receive Support.
<b>“Fixed Term Subscription”</b>	a Subscription where the duration of the Subscription is for a fixed period of time.
<b>“Microsoft Cloud Agreement”</b>	the agreement that Microsoft uses to convey or provide Products to the Customer as made available at <a href="https://docs.microsoft.com/en-us/partner-center/agreements">https://docs.microsoft.com/en-us/partner-center/agreements</a> or such other website address as may be notified to the Customer from time to time and including the Online Service Terms and other documents referred to in such agreement and as varied from time to time by Microsoft;
<b>“Online Service”</b>	any Microsoft online service subscribed to by or on behalf of the Customer under the Microsoft Cloud Agreement.
<b>“SLA”</b>	the service level agreement commitments Microsoft makes to the Customer in the Microsoft Cloud Agreement regarding delivery and/or performance of the applicable Product.
<b>“Software”</b>	software provided by Microsoft for installation on the Customer’s device as part of its Subscription or for use with the Online Service to enable certain functionality.
<b>“Subscription”</b>	a quantity of Product for a defined term (e.g., 30 days or 12 months).
<b>“Support”</b>	the base level support service more particularly described in clause 13 which is to be provided by bluesource to Customer in relation to the Product.

## 2 MICROSOFT CUSTOMER AGREEMENT

- 2.1 By placing an order for Products with bluesource, the Customer represents and warrants that the Customer accepts the Microsoft Cloud Agreement terms.
- 2.2 The Customer understands that Microsoft may accept or reject any customer as a customer of Microsoft or may refuse to supply Product to any customer at Microsoft's absolute discretion. If, after the Agreement has come into existence, Microsoft rejects Customer as a customer of Microsoft, or refuses to supply Product to Customer, either party may terminate the Agreement immediately without liability to the other by giving written notice to the other party. In the event of termination under this clause 2.2 and without prejudice to any liability for any breach of the Agreement by the Customer that there may be, any fees paid by the Customer for the period after termination shall be refunded to the Customer by bluesource. Such refund constitutes the Customer's sole and exclusive remedy and bluesource's entire liability for any termination under this clause 2.2.

## 3 RIGHTS GRANTED

- 3.1 The Customer acknowledges and agrees that its right to access and use the Online Services and to install and use Software included with the Subscription is granted to the Customer by Microsoft, not by bluesource, and is subject to the terms of the Microsoft Cloud Agreement.
- 3.2 Customer's rights to any of the Products do not include any license, right, power or authority to cause any part of the Products to become subject to the terms of an excluded license. An "excluded license" is any license, such as an open source software license, that requires as a condition of use, modification or distribution of software subject to the excluded license, that it or other software combined or distributed with it be: (i) disclosed or distributed in source code form; (ii) licensed for the purpose of making derivative works; or (iii) redistributable at no charge.
- 3.3 The Customer shall not license, sell, rent, lease, transfer, assign, distribute, display, disclose, or otherwise commercially exploit, or otherwise make the Products available to any third-party except as expressly permitted under the Agreement.
- 3.4 The Customer acknowledges and agrees that any warranty about the Products is given by Microsoft, not by bluesource, and is as set out in the Microsoft Cloud Agreement.

## 4 SUPPLY OF PRODUCTS

- 4.1 Customer acknowledges and agrees that:
- 4.1.1 Microsoft may modify a Product, or release a new version of a Product at any time and for any reason including, to address customer needs or otherwise address competitive demands, to respond to a government regulation, order, or law, or to advance innovation in its Product offerings;
  - 4.1.2 Microsoft may add new features or functionality to, or remove existing features or functionality from, a Product;
  - 4.1.3 Bluesource may perform certain functions associated with the purchase, activation, support and management of the Subscription and Products. Those functions may be performed by any processes or tools used by bluesource; and
  - 4.1.4 From time to time bluesource may implement such updates or changes to continue to perform its functions as bluesource in its sole reasonable discretion deems appropriate.
- 4.2 Where Products are identified as academic, charity or government, the Customer must have Microsoft's approval to purchase such Products and the Customer accepts that it may only purchase such Products if the Customer meets Microsoft's qualification criteria for such Products.
- 4.3 The Customer acknowledges that it is solely responsible for providing the Customer Information and that Bluesource shall rely on the Customer Information in determining and selecting the appropriate Products.
- 4.4 The Customer understands and accepts that Microsoft may make certain service levels commitments to the Customer in the Microsoft Cloud Agreement. If the Customer wishes to make a claim on the SLA, the Customer must notify details of its claim to bluesource in writing ("**SLA Claim**"). The Customer understands that the SLA Claim will be subject to Microsoft's standard SLA review process. Any credit that Microsoft agrees to pay in respect of the SLA Claim shall be credited to the Customer promptly following its receipt by bluesource. The Customer accepts that any credit to which it is eligible shall not exceed the total monthly estimated retail price quoted by Microsoft for the Subscription that is the subject of the SLA Claim. The Customer acknowledges and accepts that outages may be audited on a per Subscription or per service basis at any time.

## 5 DELIVERY

- 5.1 bluesource will provide the Products based on the Customer Information. Any Customer Information provided by the Customer must be complete and accurate in all respects.
- 5.2 Any dates specified by the Customer for delivery in relation to the Agreement are an estimate only and in relation to the same, time shall not be of the essence nor shall time be made of the essence against bluesource by notice. If no delivery dates are specified, delivery will be within a reasonable time.

## 6 VARIATIONS TO AN AGREEMENT

- 6.1 If the Customer wants to (a) amend the Customer Information and/or the Subscription; and/or (b) cancel the Agreement or any part thereof (a "**Change**"); the Customer shall provide bluesource with as much notice as possible of the Change and bluesource will provide reasonable assistance to the Customer in trying to effect the Change provided that the Customer acknowledges that Microsoft may have been instructed in the provision of the Products and that the Change may not be possible without incurring a charge. Subject to the Customer paying all outstanding payments arising in respect of the Agreement and all costs, expenses and liabilities incurred or paid by bluesource as a result of the Change and a reasonable sum to reflect the profit that bluesource would have earned on the same, bluesource may try to put in place agreements between the Customer or bluesource and Microsoft, under which Microsoft may agree to such Change. Bluesource cannot guarantee that Microsoft will agree to the same and bluesource shall not be obliged to effect the Change.

## 7 TERM AND TERMINATION.

- 7.1 Each Agreement shall commence on the effective date specified in the Work Order, or if no date is specified on the date the Agreement is formed.
- 7.2 **Fixed Term Subscriptions.** Fixed Term Subscriptions are sold for a term of 12 months commencing on the date of the first invoice issued to the Customer for the relevant Fixed Term Subscription. Unless otherwise specified in the Agreement or terminated as provided in this clause 7 each Fixed Term Subscription shall continue for a period of 12 calendar months ("**Fixed Term**"). Unless otherwise agreed between the Parties in writing or terminated as provided in this clause 7, Fixed Term Subscriptions will automatically renew at the end of the relevant Fixed Term for a period of 12 months ("**Renewal Term**"). Either party may give written notice to the other party, not less than ninety (90) days before the expiry of the Fixed Term or the relevant Renewal Term, to terminate this Agreement at the end of the Fixed Term or the relevant Renewal Term, as the case may be. Pricing for a Renewal Term will be bluesource's pricing in effect as of the commencement of the Renewal Term.
- 7.3 **Consumption Subscription (also called Pay-As-You-Go).** All Subscriptions that are billed based on actual usage in the preceding month with no upfront commitment ("**Consumption Subscriptions**") do not expire unless cancelled. Consumption Subscriptions can be cancelled at any time by either party giving not less than ninety (90) days written notice to the other Party and any usage by the Customer will be billed on the next scheduled invoice date.
- 7.4 Bluesource may terminate the Agreement at any time without liability to the Customer by giving not less than ninety (90) days prior written notice to the Customer and the Agreement will terminate on the expiry of the termination notice.
- 7.5 In addition to its rights to terminate the Agreement as detailed in the General Terms and Conditions (clause 9, Term and Termination), without affecting any other right or remedy available to it, bluesource may terminate the Agreement with immediate effect by giving written notice to the Customer if for any reason, Microsoft terminates the Customer's status as a customer of Microsoft.

## 8 CONSEQUENCES OF TERMINATION

- 8.1 On termination of the Agreement for any reason:
- 8.1.1 all licences granted under the Agreement shall immediately terminate;
- 8.1.2 the Customer must pay bluesource any amounts due under the Agreement;
- 8.1.3 any rights, remedies, obligations or liabilities of the Parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination shall not be affected or prejudiced.
- 8.2 Upon termination of the Agreement and/or cancellation of any Subscription, Customer must migrate any Customer Data to either a new Subscription with bluesource, or some other service within ninety (90) days of the effective date of termination of the Agreement and/or cancellation of the Subscription.

- 8.3 The Customer accepts that it may incur a charge for bluesource's assistance in migrating Customer Data and agrees to pay all costs and expenses incurred by bluesource as a result of any Customer Data remaining in the possession or control of bluesource or Microsoft on or after the cancellation of the Subscription and/or termination of the Agreement.

## **9 EXPORT CONTROL (Microsoft flow down clause)**

- 9.1 Neither Party shall export, directly or indirectly, any technical data acquired from the other Party under this Agreement (or any products, including software, incorporating any such data) in breach of any applicable laws or regulations, including United States export laws and regulations, to any country for which the United States or any other government or any agency thereof at the time of export requires an export licence or other governmental approval without first obtaining such licence or approval.

## **10 BLUESOURCE'S RIGHT TO VARY THESE TERMS**

- 10.1 Every time the Customer orders a Subscription from Bluesource via a Work Order, the Terms of this Service Schedule in force at the time of the Customer's order, including the Microsoft Cloud Agreement, will apply to the Agreement between the Customer and bluesource.
- 10.2 bluesource may amend the Terms from time to time, such as and not limited to reflecting:(i) changes in relevant laws and regulatory requirements; (ii) changes imposed by Microsoft. bluesource will give the Customer not less than 30 days' notice of any changes to these Terms and unless otherwise agreed in writing by bluesource, the change shall apply to all Agreements on the expiry of the notice period referred to in this clause.
- 10.3 If the Customer objects to any amendment to the Terms as they apply to an Agreement in force at the time the amendment is notified to the Customer, the Customer must notify bluesource in writing before the change becomes effective. The Parties shall use reasonable endeavours to agree a variation to the Terms that achieves the intention of the amendment notified to the Customer pursuant to clause 10.2 and is mutually acceptable to both Parties. If the Parties are not able to agree a variation despite reasonable endeavours to do so, and bluesource does not withdraw its intention to amend the Terms as they apply to an Agreement the Customer may terminate all Agreements affected by the amendment to the Terms by giving thirty (30) days written notice (or such lesser period of notice as may be agreed in writing by bluesource. Notice of termination under this clause 10.3 must be served before the expiry of the notice period referred to above and shall take effect on the expiry of the notice. Notwithstanding the foregoing, unless otherwise agreed in writing by bluesource and unless the Customer has served notice to terminate the Agreements in accordance with this clause, the Customer's use of the Products after the change becomes effective means that the Customer accepts the changes.

## **11 PAYMENT**

- 11.1 The Fee of some Products is based on the usage of the Product and the Customer understands and accepts that it is responsible for and shall pay the Fee for all use of such Products as calculated by bluesource or by its third-party supplier.
- 11.2 Azure Consumption Subscriptions are one-month Subscriptions that are billed on actual usage in the preceding month without upfront commitment and do not expire unless cancelled. Azure Consumption Subscriptions can be cancelled at any time and usage before cancellation will be billed in the next scheduled invoice date. Pricing will be based on the pricing effective during the current billing cycle except when prices decrease or increase. The unit price for a Product sold on a Consumption Subscription basis may change during the Subscription Term.
- 11.3 Unless otherwise agreed in writing by bluesource:
- 11.3.1 the price of Online Services included within a Subscription shall be fixed for a period of 12 months from the effective date of the Subscription; and
- 11.3.2 with effect from the date of expiry of the 12 month period referred to in clause 11.3.1, the price charged for such Online Services shall be adjusted automatically to reflect Microsoft's standard charges in respect of such Online Services.
- 11.4 The Customer understands and accepts that:
- 11.4.1 It must pay the Fee for any Commitment Offering purchased by the Customer irrespective of whether the Customer has used any or all of the Commitment Offering; and
- 11.4.2 Any part of the Commitment Offering that has not been used at the end of the relevant Term will expire and may not be carried forward to a subsequent Term/Renewal Term.

## 12 SUSPENSION

- 12.1 The Customer acknowledges and agrees that Microsoft may disable the supply of Products for legal or regulatory reasons and bluesource will use reasonable endeavours to notify the Customer of the disablement of a Subscription as soon as commercially reasonable. If Microsoft suspends the supply of Products to the Customer, bluesource will also suspend billing to the Customer for the relevant Products until the suspension ceases unless the suspension is due to the Customer's failure to make payment under this Agreement or for any other breach of this Agreement.
- 12.2 Without limiting its other rights or remedies, bluesource shall have the right to suspend the supply of Products and Support and/or all further deliveries of Products and Support under an Agreement if:
- 12.2.1 The Customer fails to pay any amount due under the Agreement in accordance with clause 8 (Payments and Records) of the General Terms and Conditions; or
- 12.2.2 The Customer becomes subject to any of the events listed in Clause 9.4 (Term and Termination) of the General Terms and Conditions.
- 12.3 The Customer acknowledges and accepts that, notwithstanding any suspension of the Products by bluesource pursuant to clause 12.2, bluesource may continue to incur expenses and/or charges of Microsoft (including charges for Products and usage of Products) which shall be payable by the Customer.

## 13 SUPPORT

- 13.1 The Customer shall appoint not more than two Designated Administrators who shall have authority to obtain and receive the Support on behalf of the Customer. The Customer shall notify bluesource in writing of the identity of the Designated Administrators. The Customer may replace the individuals who are appointed as the Designated Administrators from time to time and shall notify bluesource in writing of the identity of any such replacement. For the avoidance of doubt except as provided in this clause 13, bluesource will be under no obligation to provide Support to users of the Products.
- 13.2 The Customer acknowledges that bluesource will require at least one administrator account to their tenant/s applicable to the Service, for the purpose of providing the Service and as required for bluesource to maintain "digital partner of record" with Microsoft.
- 13.3 Subject to clause 13.4, bluesource will, at no additional cost to the Customer, provide the Designated Administrators with Support during the Business Day, which shall comprise a telephone help desk to provide base level support to Designated Administrators in relation to the Products.
- 13.4 The Customer may purchase enhanced support services separately at bluesource's then current rates.
- 13.5 bluesource may, on prior notice to the Customer, make changes to the Support, provided such changes do not have a material adverse effect on the Customer's business operations.
- 13.6 bluesource shall have no obligation to provide the Support where the Customer is in breach of any term of the Agreement or the issue is related to a product not covered under Agreement.
- 13.7 The Customer shall acknowledge that bluesource may need to escalate an incident on their behalf to either it's supplier of Microsoft Online Services or to Microsoft.
- 13.8 Standard Support for O365:
- A telephone helpdesk to provide general on-boarding/account set up guidance to the Designated Administrators in relation to the Products to Customers in the following areas:
    - guidance for initial tenant information including, what is a tenant and how Azure Active Directory (AAD) works, advice on tenant names and administrators
    - guidance for O365 including a tour of the Portal and best practise around admin
    - Non-technical support following purchase of O365 and other MS Online Services – "How do I?", "Where is?"
  - Standard Support does not include:
    - Technical or other enhanced support. The Customer may purchase technical support services separately at bluesource's then current rates under separate agreement.

### 13.9 Standard Support for Azure:

- A telephone helpdesk to provide general on-boarding/account set up guidance to the Designated Administrators in relation to the Products to Customers in the following areas:
  - guidance for initial tenant information including, what is a tenant and how Azure Active Directory (AAD) works, advice on tenant names and administrators
  - guidance for Azure including Portals tour, best practise guidance around Admin, structure and hierarchy
  - Non-technical support following purchase of MS Azure – “How do I?”, “Where is?”
  - Monthly Basic Subscription Management (Azure only)
  - Standard support for Azure as defined above
  - Ongoing management of additional Subscription Co-Admins
  - Addition/removal
  - Change of rights
  - Addition/removal of contractors in Cloud Directory
  - Management of Subscription Quotas
  - Logging and tracking support queries
  
- Standard Support does not include:
  - Technical or other enhanced support. The Customer may purchase technical support services separately at bluesource’s then current rates under separate agreement.

### 13.10 Should the Customer need to raise a support request for the Service, they should contact the SMC as follows:

- By phone - 0345 319 2200
- By email – [support@bluesource.co.uk](mailto:support@bluesource.co.uk)

## 14 CUSTOMER DATA

### 14.1 In addition to Clauses 21 (Data Processing Policy) of the General Terms and Conditions, the Customer understands:

14.1.1 Microsoft may collect, use, transfer, disclose, and otherwise process the Customer’s data, including Personal Data as described in the Microsoft Cloud Agreement; Such processing may include granting bluesource administrator access to the Customer’s systems for the purposes of providing the Products to the Customer;

14.1.2 Microsoft may send direct communications to Customer related to the terms of the Microsoft Cloud Agreement or the operation or delivery of the Product; and

14.1.3 bluesource may provide Microsoft with contact information for the administrator of each Customer domain.

## 15 OTHER RIGHTS AND OBLIGATIONS (Microsoft flow down clause)

15.1 The Customer understands and accepts that Microsoft or its audit-related agents shall have access to any books, documents, records, papers, or other materials of bluesource related to this Agreement (the “**Relevant Records**”) and the Customer consents to the disclosure of the Relevant Records to Microsoft or its audit-related agents if requested by Microsoft.

15.2 The Customer shall obtain and shall maintain all necessary licences, consents, and permissions necessary for bluesource to perform its obligations under the Agreement.

15.3 The Customer must ensure that any information it submits to bluesource is complete and accurate in all respects.

15.4 The Customer must not remove any copyright, trademark or patent notices from any of the Products.

## 16 DATA PROCESSING

16.1 Personal Data provided by the Customer shall, unless otherwise agreed in writing by both Parties, be processed in accordance with bluesource’s Data Processing Policy, available at <https://www.bluesource.co.uk/about/privacy-governance-terms/>, and the relevant Agreement, including this Service Schedule and Microsoft Cloud Agreement.

16.2 In order to meet its obligations under Agreement (and, prior to that, to be able to obtain relevant information to enable a quotation and/or Work Order to be prepared), bluesource will need to provide certain of the Customer’s Personal Data to their supply chain, specifically the names and contacts details of the individuals at the Customer who are responsible for the subject matter of that

Agreement, quotation and/or Work Order. Where the Customer is purchasing certain Services, it may also be necessary to provide the names and contacts details of the individual users of those Services. Unless stated otherwise and agreed between the Parties, this will be the extent of bluesource's processing of Personal Data on behalf of the Customer. Where required, the Customer confirms that it has obtained the necessary consents to share this Personal Data and authorises bluesource to undertake the activities set out in this Service Schedule to enable the creation or performance of an Agreement and its corresponding Service.

- 16.3 Customer acknowledges that information processed in the course of performing Online Services may contain personally identifiable information of individuals and associated metadata and that the processing of such information may therefore involve the processing of Personal Data. With respect to any and all data, including, but not limited to, third-party data, personally identifiable information and associated metadata obtained by bluesource or the relevant service provider, pursuant to Customer's use of the Services (collectively, the "Data"), Customer shall take all necessary measures to ensure that it, and all its employees, are aware that their personal data may be processed as part of the Services and that they have given their consent to such processing as well as complied with their responsibilities as data controller or data subjects, as applicable, in accordance with applicable Data Protection Laws.
- 16.4 Customer understands and agrees that bluesource and Microsoft have no control or influence over the content of the Data processed by them, and that they perform the Services on behalf of Customer.
- 16.5 Notwithstanding the generality of the foregoing obligation, as required by Data Protection Laws, Customer shall use all reasonable efforts to ensure that it informs (for example, via a banner message on Emails) individuals who use any communications system covered by the Services that communications transmitted through such system may be intercepted.