

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/>) and the appropriate Work Order.

1. Service Overview

PROCUREMENT SERVICE allows the Customer to conveniently purchase a wide variety of software, hardware and other goods and/or services, from a range of vendors and service providers through bluesource.

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

“Annuity Services” Services to be supplied to the Customer on an ongoing, renewable basis pursuant to an Agreement, including software-as-a-service, infrastructure-as-a-service, support, managed, and cloud services etc.

Please Note: where Annuity Services are directly provided by bluesource, i.e. where bluesource are not procuring a service from a third-party service provider on behalf of the Customer, the applicable Service Schedule for that Service should be referenced, rather than this one.

“Manufacturer” the manufacturer, developer, distributor or licensor of Goods.

2. Delivery of Goods

2.1 bluesource shall use its reasonable endeavours to deliver the Goods to the Premises stated in the Work Order (and/or, in the case of electronic delivery of Goods, to the email address or other electronic location as agreed) and/or to supply the Services by any delivery date estimated by bluesource. For the avoidance of doubt, the Customer acknowledges that such delivery date is not guaranteed or of the essence, and bluesource shall in no circumstances be liable to the Customer for any losses, damages or charges incurred by the Customer due to the late delivery of Goods and/or Services.

2.2 The Customer agrees that it will inspect the Goods immediately upon delivery or collection and in all cases shall:

2.2.1 not sign to accept the Goods if the types/quantities of Goods are incorrect or the Goods and/or their packaging are damaged in any way; and/or

2.2.2 inform bluesource in writing within 48 hours of delivery of any damage, shortages, defects or non-delivery of the Goods which was not apparent at the time of delivery/collection,

and, where the Customer fails to do so, they shall be deemed to have accepted the Goods.

2.3 If the Customer fails to take delivery of, or, where agreed, collect the Goods or fails to give bluesource adequate delivery instructions at the time stated for delivery (save for circumstances beyond the Customer’s reasonable control or by reason of bluesource’s fault) then without prejudice to any other rights or remedies available to it, bluesource may at its sole discretion:

2.3.1 store the Goods until actual delivery and charge the Customer for the reasonable costs (including insurance) of storage; and/or

2.3.2 sell the Goods at the best price readily available and charge the Customer any shortfall below the Fees under the Agreement.

3. Risk and Title

3.1 Risk of damage to, or loss of, Goods shall pass to the Customer at the earlier of:

3.1.1 the time at which Goods are delivered to the Customer or the Customer collects the Goods; or

3.1.2 the time when bluesource has attempted to deliver the Goods to the Customer and have been unable to complete delivery due to the actions or omissions of the Customer.

3.2 Notwithstanding when risk in the Goods passes to the Customer, title in the Goods shall not pass to the Customer until the earlier of:

(i) bluesource has received cleared and full payment of the Fees for the Goods and Services (if applicable) supplied to the Customer for which payment is then due;

(ii) on the Customer’s resale (if applicable) of those Goods, in which case title passes to the Customer immediately prior to such resale; or

(iii) in the event that the Customer fails to meet the terms of payment for those Goods, immediately prior to bluesource bringing legal action for payment of the Fees.

3.3 Until such time as title in the Goods pass to the Customer:

- 3.3.1 the Customer shall keep the Goods separate from other goods and properly stored, protected, insured & identified as bluesource's property; and
- 3.3.2 after the Due Date, bluesource shall be entitled to require the Customer to deliver up the Goods to bluesource and if the Customer fails to do so immediately the Customer shall allow (or procure permission for) bluesource or its agents or representatives to enter upon the Customer's premises (or any other premises where the Goods are stored) and repossess the goods.

4. Payments

In addition to clauses 8 (Payments and Records) of the General Terms and Conditions:

- 4.1 bluesource will commence charging from the date that the Goods and/or Annuity Services are available to Customer. If bluesource has been unable to make them available due to a failure by Customer to provide required information or due to Customer's act or omission, bluesource shall be entitled to commence charging and Customer shall be obliged to pay as if they had been made available;
- 4.2 where the Fees in the Work Order and/or Service Schedule are stated to be based on consumption (e.g. where the Fees are based on the volume of storage used in gigabytes, or number of concurrent users etc.):
 - 4.2.1 the Customer is committing to pay bluesource the Fees on that periodic basis for all retrospective consumption under that Agreement, regardless of whether the relevant quotations and/or Work Order was based on a different level of consumption anticipated at that time or purchase orders are received for a different specific consumption/period than actually occurred (and if purchase orders are incorrect or not received, bluesource shall rely on the Customer's initial commitment to purchase pursuant to the Agreement, and will automatically invoice the Fees related to actual consumption in line with the Agreement); and
 - 4.2.2 the Customer understands that the Fees stated in a quote and/or Work Order are based on an estimate of expected consumption (which bluesource has calculated based on information provided by the Customer) but the Customer will be invoiced for the quantity and duration of actual consumption (subject in each case to any minimum commitment in respect of both factors, as set out in the Agreement) according to their nature, and any reductions or increases in consumption will be payable in line with the Agreement as invoiced.
- 4.3 If the Work Order and/or Service Schedule provides that the Fees or any part of the Fees shall be split across the duration of an Annuity Service or the lifecycle of Goods, or are payable in arrears, then bluesource may withdraw or vary such arrangements, and issue an invoice for any Fees which have yet to be invoiced under the Agreement, if:
 - 4.3.1 Customer serves notice of termination of the Agreement during any agreed Term;
 - 4.3.2 bluesource serves a notice of termination of the Agreement;
 - 4.3.3 there is (in the opinion of bluesource) a material adverse change in the creditworthiness of the Customer; or
 - 4.3.4 the Customer fails to pay any amount which is due and payable.

5. Returns

- 5.1 Where returns are permitted by bluesource's supply chain, bluesource allows Customer to return unopened Goods within 30 days of delivery; however, all returns are at bluesource's sole and absolute discretion, will depend on bluesource's suppliers' returns policies and may be subject to reasonable restocking fees or other conditions. Other than in line with the relevant Manufacturer's 'dead on arrival' (DOA) policies or warranties, bluesource will not accept returns with a value below £50.
- 5.2 Under no circumstances will bluesource accept returns of opened Goods unless those Goods are faulty and the provisions of the remainder of this clause 5 are met. For the avoidance of doubt, no software on which the seals have been broken can be returned. Software licences provided electronically (i.e. other than in physical format) are non-refundable.
- 5.3 In circumstances where return of Goods is permitted by bluesource, it will issue a credit note to the Customer so the invoice for the relevant Goods is deemed cancelled and, in the event the Customer has already paid for those Goods, a refund will be granted.
- 5.4 The refund or replacement of faulty or defective Goods is subject strictly to individual Manufacturer's DOA policies or warranty, available on request.
- 5.5 The Customer must observe the requirements of the Manufacturer's DOA policy and/or warranty, including notifying bluesource of a defect in the Goods within the required time limit.
- 5.6 Although bluesource may make reasonable endeavours to troubleshoot any problems the Customer experiences with the Goods, the Customer acknowledges that bluesource is not the Manufacturer of the Goods and that bluesource may be contractually limited by that Manufacturer as to the extent of the assistance they are permitted to provide. Accordingly, the Customer may be required to contact the Manufacturer's technical department to troubleshoot and/or to obtain DOA authorisation (which shall be retained by the Customer, along with any call/case reference numbers, and presented to bluesource upon request).
- 5.7 In the case where it is established that Goods are faulty or defective within the relevant Manufacturer warranty or DOA period, bluesource will arrange with the Customer to have the Goods collected or returned. In some instances, the Manufacturer's warranties require the Customer to contact a repair agent directly. If this is the case, the Customer will be informed by bluesource and provided with the contact details for the relevant Manufacturer to discuss such collection or return.
- 5.8 Where bluesource has indicated to the Customer that the return of Goods is permitted, the Customer is responsible for ensuring that the Goods are returned to bluesource (or the relevant third-party) in their original packaging together with all disks, manuals, cables and any other peripherals, accessories, consumables and other parts or items with which

they were boxed or inseparably supplied so as to ensure satisfaction of the Manufacturer's DOA policy and/or warranty stipulations (as appropriate), safe transit and ease of identification. The external packaging must not be damaged or defaced so it is recommended the goods are re-boxed for transport.

- 5.9 The Goods will be tested on receipt. If no fault is found the Goods shall be returned to the Customer at the Customer's cost. If a fault is found and the applicable Manufacturer's DOA period is exceeded, then the Goods will be repaired and/or replaced under the terms of the Manufacturer's warranty, to the extent that such warranty remains in force at that time.
- 5.10 In the event that the Manufacturer's DOA cover and/or warranty have lapsed, expired, been invalidated or did not apply, bluesource shall have no liability to the Customer for such Goods.

6. Customer's Obligations

In addition to its obligations under clause 4 of the General Terms and Conditions, the Customer shall:

- 6.1 Determine whether the Goods and/or Annuity Services, and their specification, meets the Customer's needs,
- 6.2 Determine whether the security and data protection offered by the Goods and/or Annuity Service meet the Customer's requirements,
- 6.3 Comply with and use the Goods and/or Annuity Service in accordance with the Agreement and all applicable laws and observe the requirements of any EULA and Manufacturer's acceptable use policy, as may be updated from time-to-time and shall ensure users of the Goods and/or Annuity Services are adequately trained to use them.
- 6.4 Maintain all necessary licences, permits, rights, consents, registrations, approvals and titles necessary for bluesource to use or host any software, hardware, documentation or other materials provided by the Customer for use in the provision of the Goods and/or Annuity Services to the Customer; and
- 6.5 Warrant any information and materials supplied by the Customer in connection with a quote, Work Order or Agreement shall be accurate and complete, and bluesource's use of such shall not cause bluesource to infringe the rights, including any Intellectual Property Rights, of any third party.

7. Intellectual Property Rights and Software Licences

- 7.1 The title to and the Intellectual Property Rights in the Goods and in the media containing such Goods does not pass to the Customer. The Customer is licensed to use such Goods in accordance with this Service Schedule and the EULA applicable to those Goods and by entering into any Agreement pursuant to them, the Customer agrees to enter into and comply with the terms of such EULA(s).
- 7.2 Each Party grants to the other a non-exclusive, limited, revocable licence to use its Intellectual Property Rights solely to the extent necessary for the other Party to perform its obligations under the Agreement. The Parties agree that all Intellectual Property Rights which existed prior to the date of the Agreement in relation to any items used in the performance of any Services shall remain the property of the existing owner of those Intellectual Property Rights.
- 7.3 Bluesource (and/or their supply chain and subcontractors) shall own and be fully entitled to use in any way it deems fit any Intellectual Property Rights, including skills, techniques, materials, concepts or know-how acquired, developed or used in the course of performing any Services, including Annuity Services, and any improvements made or developed during the course of Services. For the avoidance of any doubt, this shall include any improvements or modifications to Goods during the duration of the Agreement. Nothing herein shall be construed or shall give effect to any transfer of right, title or interest in the Customer's or bluesource's Intellectual Property Rights.
- 7.4 Save where the relevant EULA permits such copying, the Customer shall not, without bluesource's prior written consent, copy or reproduce in any way the whole or a part of the user manual or any other documentation which has been supplied to the Customer relating to any Goods and/or Annuity Services.

8. Warranties

- 8.1 To the maximum extent permissible in law, all conditions and warranties which are to be implied by statute or general law into this Service Schedule or relating to the Goods or the Annuity Services are excluded. Notwithstanding this, any Goods supplied under this Service Schedule will conform substantively to any specifications given in relation to them and any Annuity Services provided under this Service Schedule will be provided in a diligent and professional manner, with reasonable skill and care and in accordance with the degree of skill and care which it is reasonable to expect of a typical provider of services similar to the Annuity Service being provided under the relevant Agreement.
- 8.2 Bluesource warrants it has the right to provide or procure the provision of the Products and Annuity Services.
- 8.3 Bluesource does not warrant that the Customer's use of any Goods or Annuity Services will be uninterrupted and error-free.
- 8.4 The only additional warranties which the Customer may receive are those which are given by the Manufacturer of such Goods and/or Annuity Services to the Customer and are subject to any relevant limitations and exclusions imposed by such Manufacturer. bluesource will provide the Customer with details of such warranties upon request and where applicable.

9. Data Processing

- 9.1 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 any applicable EULA to the Goods and Annuity Services.

- 9.2 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, Work Order or quote). Where the Customer is purchasing certain Goods and/or Annuity Services, it may also be necessary to provide the names and contacts details of the individual users of those Goods and/or Annuity Services. Unless stated otherwise 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 Goods and/or Annuity Service.
- 9.3 Customer acknowledges that information processed in the course of performing Annuity 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 Annuity 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.

Customer understands and agrees that bluesource and the respective service provider has no control or influence over the content of the Data processed by them, and that they perform the Annuity Services on behalf of Customer.

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 Annuity Services that communications transmitted through such system may be intercepted.