

MASTER SERVICES AGREEMENT

Between Liquid Business Services UK Limited ("Liquid", "we", or "us"), of Three Tuns House, 109 Borough High Street, London, SE1 1NL, company registration 07111771, and XXXX ("you").

Thank you for the opportunity of working with you. We trust that you will be pleased with our range of goods and services. This agreement governs your use of our services, and our obligations to you, so please read it carefully, and let us know if you would like clarification on any point.

1. How the Agreement works.

We will ask you to sign to sign a Service Order Form (SOF) relating to the purchase terms of the services you choose. This refers to and incorporates this Master Services Agreement, and any relevant Schedule giving terms specific to the Service(s) ordered, including Service Level Agreements. Any reference to "Agreement" means all of these documents collectively. This Agreement may be subject to change from time to time, and we reserve the right to add to and/or amend it at any time. We will publish on our website any such changes at <http://www.liquidit.co.uk/terms.pdf> and these will be deemed to be accepted by you if you continue to use the services after a two week period from the date of publication on our website. If these changes significantly affect the Services, or your responsibilities, we will, in addition, send you a copy of the revised Agreement.

2. Definitions.

"Acceptable Use Policy" means the policy relevant to any particular service, which governs the manner of use of that Service. "Base Rate" means the annual base rate of interest from time to time in force, as advertised by Barclays Bank plc. "Billing Period" means a period of one quarter unless otherwise stated in the relevant Service Order.

"Confidential Information" means any information disclosed (whether in writing, orally, or by any other means) by or on behalf of the disclosing party to the receiving party including, without limitation, any information about the disclosing party's products, inventions, operations, network design, costs, maintenance events, methodologies, systems, processes, plans or intentions, design rights, trade secrets, market opportunities, or corporate, business, or financial affairs. "Customer Equipment" means equipment, systems, cabling, and facilities that you provide, which is used in conjunction with the Service Equipment to obtain the Services. Customer Equipment includes the means by which electrical power is supplied to the Service Equipment.

"Evaluation Period" is defined in Clause 4.1.

"Initial Period" means the period starting upon our acceptance of the relevant Service Order, and ending on the last day of the Initial Term. "Minimum Term" starts at Time of Install and is for the minimum period specified in the relevant Service Order.

"Licensed Material" means the software programmes in object code form only, together with any related documentation provided by us under this Agreement.

"Notice" means notice in writing.

"Scheduled Maintenance" means maintenance affecting the Service(s) of which you have been informed by writing or by nominated email address no less than three days before commencement.

"Service(s)" means the service(s) to be supplied by us under this Agreement and the Service Order(s).

"Service Equipment" means the equipment, cabling, and systems provided by us (or our subcontractors), and identified in a Service Order in connection with the provision of the Service(s). Service Equipment does not include any equipment supplied under a separate agreement between us.

"Service Interruption" means any failure to meet the Service Level Specification which occurs during any period after the Evaluation Period, and which is due to a failure of Service Equipment used to

provide the Service(s), and which failure (a) is not excused or permitted under either of Clauses 9.1 or 18; (b) does not result from or follow any breach by you of Clause 13; (c) is not an Exempted Failure, as defined in Clause 6.2(d).

"Service Interruption Notification Point" has the meaning defined in Clause 8.1.

"Service Level Specification" has the meaning attributed to it in the relevant Service Order.

"Service Order Form" or "Service Order" means our standard service order form describing the Service(s) which you wish to obtain from us, issued under, and invoking this Agreement.

"Tariff Details" means the tariff details as included in the relevant Service Order Form.

"Time of Install" has the meaning set out in Clause 4.1.

"User" means any third party connected to your network.

"Working Hours" means Monday – Friday between 9am and 5.30 pm, excluding public and bank holidays.

3. Services.

Service Orders

3.1 The services we provide are set out in the Service Order Form and any new Service or any change to an existing Service (including an upgrade) must be requested in a Service Order.

3.2 A Service Order is accepted by us and becomes a part of this agreement in the form of a returned Service Order duly executed by us. Until a Service Order is accepted, it does not form a part of this Agreement. We can accept or reject any Service Order you give us. The commencement date you want for any Service is the date specified in the order, but that date will not be contractually binding on us.

3.3 The contents of any Service Order, and any relevant schedule to the Service(s) therein, constitute the entire agreement between us with regard to that Service (as supplemented by this Agreement), and supersede, exclude, and replace any prior negotiations, conversations, or agreements.

Replacement Services and Additional Services

3.4 A Service Order which states that it supersedes other Service Orders automatically terminates those services from the Time of Install of the replacement Service(s). Any existing Service Orders which are either (a) referred to as executed in parallel with the new Service Order, in the new Service Order, or (b) not referred to in the new Service Order; continue unamended.

Alterations to the Services

3.5 We may, as a result of our ongoing development and maintenance programme, from time to time alter the configuration, and technical functionality of the Service(s) provided. We will, where possible, try to give you at least 5 days advance Notice of any such change. Any such configuration or functionality change shall not in itself diminish the Service(s) provided under the relevant Agreement, or result in you paying more for the Service(s).

3.6 We may occasionally, and without Notice, alter the networks we connect to, if this does not cost you any more, or result in any noticeable reduction to the performance of the Service(s).

Software and configuration

3.7 We will supply software to configure the Service Equipment, and we are responsible for the configuration software, and for ensuring that it operates in accordance with its generally accepted specification. We are not responsible for any failure of the configuration software resulting from any unauthorised use, alteration, or modification by you.

3.8 We will hold you liable for call charges made by your phone numbers, even where fraudulent phone calls or unauthorised phone calls have been made by someone other than yourself. Unauthorised access to the Web Portal we provide you with to control your telephone numbers, can result in your phone number being forwarded to fraudulent phone numbers that will incur large call costs. Passwords for your Web Portals should be kept secure at all times, be a minimum of 7 digits long and be changed on a regular basis.

Anti-virus

3.9 Liquid uses third party anti-virus software to protect the servers and email from viruses. Although all reasonable care is taken by Liquid to ensure that the anti-virus software is up to date, Liquid makes no warranty as to the effectiveness of its third party anti-virus software and excludes any loss or damage caused by a virus which infects any electronic device, computer, PC, server or network owned or used by the Customer.

Customer Security Responsibilities

3.10 The Customer is solely responsible for any breaches of security affecting Desktops or Managed Servers under the Customer's control. The Customer must maintain vigilance of password management and access management to limit the risks to their system. If a Customer's server is involved in an attack on another server or system, it will be shut down and an immediate investigation will be launched to determine the cause/source of the attack. In such event, the Customer is responsible for the cost to rectify any damage done to the customer's server and any other requirement affected by the security breach.

4. Installation and Evaluation

4.1 We will notify you that the Service(s) have been installed, and of the date of such installation (the "Time of Install"). You can test and evaluate the Service(s) against the relevant Service Level Specification for a period of 3 days following the notification by us of the Time of Install. This provision applies equally to new Service(s) and upgrades of existing Service(s).

4.2 You may inform us of any failure to meet the Service Level Specification that continues for an aggregate of at least 2

hours during the Evaluation Period, so that we can fix these problems. Once fixed, we will inform you when the Service(s) resume, from which time a further Evaluation Period of 2 days will start.

4.3 When the Evaluation Period is complete, and signed off (where there is no outstanding legitimate notification of a Service Interruption), then this means that you have accepted the Service(s) with effect from the Time of Install.

4.4 Charges shall start to accrue for Service(s) only from the Time of Install. Where the Service Order replaces an existing Service Order (as per Clause 3.4), charges under the replaced Service Order shall stop accruing at this time. Where you unreasonable delay installation or re-installation, we may treat an earlier date as the Time of Install for the purposes of this Clause, and Clause 5.1.

4.5 Although a time or date may be specified in a Service Order, this is only a guideline, and may be subject to the involvement of third parties, and therefore is in no way binding upon us.

5. Billing and payment

5.1 We will charge you according to the rates, and in the manner set out in each Service Order. Services are billed quarterly in advance, with the exception of all charges, which are billed monthly in arrears, unless specified otherwise in the relevant Service Order. Charges for Services will accrue from the Time of Install whether or not you use the Service(s).

5.2 We can carry out a credit check on you before accepting your Service Order, and, if we wish, may request a cash deposit from you to cover the total charges we think you may incur during the Initial Period.

5.3 You need to pay us in accordance with each Service Order.

5.4 We can charge interest on all outstanding amounts owed to us, and not paid, under this Agreement (calculated daily, and compounded monthly) at a rate equal to 4% above the Base Rate, both before, and after any judgement. If you dispute the amount of any charge made, you must let us know in writing within 7 days of receiving the invoice. Interest shall accrue even though this Agreement might have ended for whatever reason. You also need to pay all legal fees and other costs incurred by us in connection with collecting, or recovering, amounts you owe us under this Agreement. Until we receive payment in full (excepting amounts which you dispute, and in respect of which you have given us written notice), we can withhold any or all parts of the Service(s), until you pay us in full, and charges for Service(s) shall continue to accrue.

Apportionment

5.5 Subject to Clause 4.4, charges will be apportioned at a daily rate for periods of Service(s) which are not provided for a complete Billing Period. Apportionment of charges will be based on the number of days the Service as available to you, divided by the number of days in that Billing Period.

VAT and other taxes

5.6 All charges referred to under this agreement, and in order forms, are exclusive of all applicable taxes (including, but not limited to, VAT) which may be payable, or from time to time be applied to our Services.

Deductions and set-off

5.7 Unless specifically agreed otherwise, you need to pay all amounts due to us under this Agreement in full (without any set-offs, deductions, or withholdings whatsoever) by Direct Debit, and we reserve the right to charge up to £50 per invoice to cover the cost of manual processing in respect of payments made other than by Direct Debit. If it is unclear from the remittance information which invoice you are paying, we can apply the payment to the oldest balance due under this Agreement. You need to pay in UK pounds sterling, unless we agree otherwise as recorded in the Service Order.

Price changes

5.8 Unless the Tariff Details provide otherwise, we may change charges by giving you at least 7 days Notice before the start of the Billing Period immediately prior to the Billing Period in which the price change is to take effect, providing that no such price change may take place within the Initial Period. If charges increase in this way, you may, within one month of receipt of this Notice, by giving us Notice, terminate affected Service Orders on the date from which the increase would take effect.

Ownership

5.9 Services and goods delivered to you by Liquid will remain the property of Liquid unless the Service Order Form states a purchase of goods, in which case they will become your property once payment had been made to Liquid in full.

6. Fault resolution

6.1 If a fault in the provision of the Service(s) results in a Service Interruption, and you inform us of this fault, we shall take whatever reasonable action is necessary to resolve the fault as quickly as we can.

6.2 If we believe that a fault results directly or indirectly from:

- (a) your negligence, act, omission, or default;
- (b) your breach of this Agreement;
- (c) the operation, failure, or malfunction of any network, equipment or software you own or control (including, without limitation, Customer Equipment), other than Service Equipment;
- (d) any third party action in response to you act or omission, or anyone you have given access to the Service(s) (together, Exempted Failures); then we may charge you in, advance, all reasonable costs to be incurred by us, on your behalf, in connection with the remedy of such defect, fault, or impairment.

7. Service Equipment

7.1 We and our subcontractors may substitute, change, rearrange, or reconfigure the Service Equipment at any time, as long as this does not alter the technical functionality of the Service(s), except where such alteration is specified in a Service Order.

7.2 Where possible, we will try to give you at least 7 days Notice of any substitution, change, rearrangement, or reconfiguration of the Service Equipment as made under Clause 7.1.

7.3 We own the Service Equipment, so you must not allow any charges, liens, or other encumbrances whatsoever to arise over any of the Service Equipment.

7.4 If you want to change the location to which we deliver the Services, you may do so through a new Service Order. You may need to pay for any reasonable installation charges at the new location, and any reasonable support costs resulting from you relocation. The Service(s) supplied shall cost no less than that shown on the original Service Order.

7.5 With all Liquid services, you will need a suitable broadband connection. You may arrange this either through Liquid, or from a supplier which meets our approved line supplier conditions, including a requirement for you to utilise a private interconnect with the Liquid Voice telephone switch. You acknowledge that owing to the nature of telecommunications networks, it is impossible to provide a fault-free Service. The quality of the Service depends on both the quality and availability of the network to which you are connected and also on other telecommunications networks to which the person being called is connected. Broadband connections supplied by Liquid will include a guaranteed quality of service only if specified as 'QoS' (Quality of Service) on the Order Form. If 'Non QoS' is specified on the Order Form, or an alternative unapproved broadband connection is to be supplied by the customer, you agree not hold Liquid responsible with regards to quality of service.

8. Service Interruption & Service Level Agreement

8.1 Liquid's support hours are from 09:00 to 17:30 Monday to Friday excluding bank holidays. All SLA rebates are calculated based on these support hours. If you become aware of a Service Interruption, please call us on 0207 858 5859. You should obtain a fault log number. The time at which you obtain the fault log number shall be the "Service Interruption Notification Point."

8.2 In case of a Service Interruption, you may apply for service credits in accordance with the relevant Service Order, and Service Level Agreement. No credits shall be made if the Service Interruption is attributable to factors beyond our reasonable control, including but not limited to; Scheduled Network Maintenance, Scheduled Systems Maintenance, Scheduled Hardware Maintenance, Malicious Attacks, Downtime caused by 3rd parties outside of our control, Downtime caused by Internet Service Providers, Installation of 3rd party software onto Liquid servers.

8.3 You can only have a credit allowance for claims under Clause 8.2 if you continue to comply with your obligations under this Agreement,

8.4 If we give you a credit allowance, it is calculated according to the relevant Service Order, and may only be applied against future charges due under that Service Order. A credit allowance may not be converted into a cash refund, or used against charges made under other Service Orders. If we give Notice to terminate this agreement, we will deduct credit allowances in the final Billing Period.

8.5 When we have to arrange an on-site visit due to a Service Interruption, we can if we wish levy a "fault not found" fee to you, should such site survey identify that the cause of the Service Interruption is your responsibility, or that of you subcontractors. This may include (but is not limited to) power surges, outages, faulty equipment other than Service Equipment, and damage to equipment provided by the telecommunications provider.

8.6 A claim can only be made within a maximum of 5 working days after the breach. A claim should be made in writing to customerservices@liquidit.co.uk

9. Service Suspension

9.1 We can suspend provision of the Service(s) until further Notice if the Agreement allows us, to without prejudice to our right subsequently to terminate the entire Agreement, if:

- a) we need to carry out Scheduled Maintenance to the Service Equipment, or any other equipment or configurations which are used to provide the Service(s);
- b) we have to comply with an order, instruction, or request of Government, an emergency service organisation, or any other competent administrative authority;
- c) you fail to pay charges due to us under this Agreement or any Service Order within 14 days of us notifying you of the arrears;
- d) it is necessary for us to carry out unscheduled emergency maintenance.

9.2 We will try to perform all maintenance within the Scheduled Maintenance window, but events may necessitate urgent maintenance within the 3 day alert period. If such emergency maintenance is required, we shall try to give advance warning of service degradation, or the risk of it, and try to keep such maintenance to the hours of 5.30 pm-9.00am.

9.3 If we suspend the Service(s) under Clauses 9.1(b) or (d), we shall try to give advance notice. A suspension of the Service(s) is not a Service Interruption unless it is a result of unscheduled maintenance.

9.4 When Services are suspended as described in Clause 9.1 we will not charge you for the suspension or reconnection of the Services unless it was your fault.

9.5 When the suspension is your fault, we can require you to pay all reasonable costs and expenses we incur in connection with any recommencement of the provision of the Services.

10. Warranties

Service to meet Service Level Specification

10.1 Provided that you perform your obligations under this Agreement, we agree that we shall use reasonable skill and care:

- (a) to establish that the Service(s) meet the Service Level Specification when they are installed (provided that we conduct installation);
 - (b) thereafter in the performance of the Service(s), to meet the Service Level Specification. All other warranties excluded
- 10.2 Except as set out in this Agreement, all representations, conditions, warranties, and terms relating to any Service(s) performed by us or in connection with this Agreement (whether statutory or otherwise, and including any as to the fitness for a particular purpose, satisfactory quality, or merchantability) are hereby excluded to the fullest extent permitted by law.

11. Liability and service continuity

General limits on liability

11.1 Nothing in this Agreement shall limit our liability to you for death or personal injury resulting from our negligence.

11.2 We maintain full public liability cover in respect of all generally accepted risks, including the acts and omissions of our staff whilst on your premises. Subject to Clause 11.4 we accept liability in the event that you suffer actual physical loss or damage to premises or property, which is proven to be the direct consequence of our negligence or that of our staff to a limit of £5,000,000 (five million pounds).

Limit of liability in respect of Service Interruptions

11.3 Your only remedy for Service Interruptions shall be the provision of service credits, as provided for in Clause 8.2.

Financial limits for other liabilities

11.4 Except for our liability to you under Clause 11.1 (to which no limit applies), and without prejudice to Clause 11.3, our liability arising in connection with this Agreement or any Service(s) (whether such liability arises from negligence, breach of contract, or howsoever) in respect of each event, or series of connected events shall not exceed the greater of:

- (a) £5000 (five thousand pounds); or
 - (a) The total amounts payable by you for the Billing Period when such and event (or the first in any series of connected events) occurs. No liability for indirect or consequential loss
- 11.5 Notwithstanding Clause 11.4, we would never be liable to you or any other party for any special, incidental, indirect or consequential loss or damage (whether financial or otherwise), or for any loss of data, profit, revenue, contracts, or business, however caused (whether arising out of negligence, or breach of this Agreement, or otherwise), even if we could have foreseen that loss or the possibility of it.
- Limits in time

11.6 You cannot bring an action or proceedings against us in relation to any matter concerning this Agreement after one year has elapsed from the occurrence of the issue to which the claim relates, and we and you each acknowledge that this

Clause 11.6 constitutes an express waiver of any rights under any otherwise-applicable provisions (whether statutory or otherwise) relating to, or governing limitation periods. Matters outside our control

11.7 You may use the Service(s) to link to areas beyond our direction (e.g. the Internet), where we have no control over the materials accessible, nor the quality of the service obtainable, and we will not be responsible in any way for such networks, services, and material.

No liability for third party costs and charges

11.8 We will not be responsible for any use you make of the Services, nor for any charges you may incur with third parties through that use, nor for any software running in conjunction with Service(s) (except in the case of software as documented in any separate agreement between you and us). You indemnify us against the effects of any misuse of the Service(s), or any claims resulting from that misuse.

11.9 You also indemnify us against all third party claims resulting from defacing of or damage caused to the premises occupied by you by reason of us performing cabling or other necessary works carried out to affect the installation of Service Equipment. We will inform you of such necessary damage before installation wherever possible.

12. Term and termination

Automatic renewals and extensions

12.1 This Agreement takes effect when you sign it, and, in the absence of either you or us exercising any termination rights, continues for the duration of all operative Service Orders.

12.2 Each Service Order shall, subject to Clauses 3.3 and 3.4, continue for the Minimum Term, and shall automatically be renewed for a further period of the same duration, to a maximum of twelve months, and upon the same terms as the Minimum Term, unless cancelled. Any Service Order can be cancelled by you or us, by giving Notice of not less than three months, with such notice not to expire before the end of the Initial Period.

Termination by Liquid

12.3 We can terminate this Agreement, or any Service Order immediately by notice to you, and/or withdraw or suspend the Service(s) provided therein at a time when:

- (a) you fail to pay us what you owe us under this Agreement and any Service Order within 14 days of our first notifying you of any payment arrears;
- (b) you breach any material provision of this Agreement (or any Service Order), and the breach continues for 7 days after you receive notice from us;
- (c) any interim order is made, or a voluntary arrangement is approved, or a petition for a bankruptcy order is approved, or a bankruptcy order made against you, or a receiver or trustee appointed to you or any material part of your assets, an administration order made, or an undertaking or a resolution or a petition to wind up your business being passed or presented (otherwise than for the purpose of a bona fide reconstruction or amalgamation).

Termination by you

12.4 You can terminate this Agreement or any Service Order by giving us notice at any time:

- (a) If we are in material breach of this Agreement or any Service Order, which continues for 30 days after receipt of notice; or
 - (b) any interim order is made, or a voluntary arrangement is approved, or a petition for a bankruptcy order is approved, or a bankruptcy order made against us, or a receiver or trustee appointed to you or any material part of your assets, an administration order made, or an undertaking or a resolution or a petition to wind up your business being passed or presented (otherwise than for the purpose of a bona fide reconstruction or amalgamation).
- (c) in accordance with Clauses 5.8, 12.2, or 13.2.

Conditions of termination

12.5 If this Agreement (or any Service Order) is terminated, you still need to pay any charges incurred before the termination. Liquidated damages equal to 100% of the total value, as at the date of termination, of the amounts payable during the Initial Period, or any subsequent period relating to the Service(s) shall be payable immediately upon termination, other than for termination under Clause 12.4

12.6 If this Agreement (or any Service Order) is terminated, you need to return to us, at your expense, Service Equipment used in all the terminated Service Order(s), within 14 days of the termination. If the Service Equipment is not returned in accordance with this Clause, Clause 12.7 shall apply.

12.7 If repossession of the Service Equipment is rendered impossible because of total loss, refusal of access, or any other reason whatsoever, you indemnify us for its full replacement cost. You are responsible for any costs and expenses, incurred by us, and for your failure to allow us to take possession of the Service Equipment when requested by

us, including, but not limited to, any costs and expenses incurred in locating, repossessing, or recovering the Service Equipment.

13. Obligations of the parties

Site Access

13.1 You agree to allow and facilitate our staff and subcontractors continuous access to your premises, as is appropriate and necessary for the installation, provision, and maintenance of the Service(s), Service Equipment, and the performance of our rights and obligations under this Agreement. You will also need to provide us with a telephone number, and make arrangements to answer or redirect calls to it day and night.

13.2 You need to provide us and our subcontractors with the space, and electrical supply they need to maintain the Service(s) and Service Equipment.

13.3 You shall advise us of all health and safety at work rules operated at your premises, and we agree to observe such regulations while at your premises, provided that we shall not be liable under this Agreement, if as a result of conforming to such regulations we are in breach of our obligations under this agreement.

13.4 You are responsible for providing security with respect to, and of, your facilities and the facilities of others, and you are responsible for maintaining user access security, and network access security.

13.5 You are responsible for identifying, monitoring, removing, and disposing of any hazardous materials on your premises, which it is required to remove, by law, before we, or our subcontractors can start any installation work. You shall indemnify, keep indemnified, defend, and hold us harmless from any liability either you, or we, incur relating to, or arising out of the presence of hazardous materials on your premises.

Compliance with standards

13.6 You need to ensure that your Customer Equipment conforms to all relevant UK standards, or requirements for approval, and you shall at all times comply with the conditions of such standard or approval, and you will allow us to disconnect any non-compliant Customer Equipment.

13.7 We shall at all time ensure that Service Equipment conforms to all relevant UK standards or requirements for approval.

Licences and consents

13.8 You shall obtain all necessary licences, waivers, consents, or registrations necessary to deliver, install, and keep installed Service Equipment at your premises. We will advise you of such requirements in so far as they relate to the Service Equipment, and the date by which they are required to be fulfilled in a schedule of requirements. We advise on matters relating to the Service Equipment only; we do not and cannot advise on any other aspects that might affect and installation. You are advised generally that an installation may involve matters of building control, planning permission, or health and safety at work.

13.9 We shall, if required by any applicable licence granted under, or having force under UK law, or if requested by you, notify or obtain any necessary permission or cooperation of a telecoms network provider, or other relevant person for the connection, and maintenance of Service Equipment. You shall have no liability whatsoever in any case where such notification is not given, or such permission or cooperation is not obtained.

13.10 We grant to you here (and warrant and undertake that we have procured the right to grant) all such licences, waivers, consents, and registrations as may reasonably be required by you in connection with the operation of Service Equipment, but excluding any licences of consents relating to planning or building control, or health and safety.

Care of Service Equipment and provision of power

13.11 We shall provide you with information, from time to time, as to the requirements for housing and maintenance of Service Equipment, which you need to adhere to, and you agree to make available a 24 hour power supply from an uninterrupted source, as well as the level of heating and air-conditioning necessary to maintain the proper environment for Service Equipment. Failure by you to strictly adhere to the provisions of this cause may result in our not being able to properly monitor and cover the Service(s).

13.12 You, and any person responsible for the Service Equipment, will need to read, understand, and follow any instructions, or manuals we supply before it is brought into use.

13.13 You shall take such further steps as we or the manufacturer may properly recommend relating to the Service Equipment, or which may otherwise be necessary to ensure that it will be safe, and without risk to health and safety when properly used by you or authorised users.

13.14 You shall only operate the Service Equipment, and permit its operation in a proper manner, and by those who are competent to operate such Service Equipment.

13.15 You shall not make, or cause or allow to be made, any alteration, amendment, modification, or addition to the Service Equipment, whether it is made physically, electronically, or otherwise, without our prior consent in writing.

13.16 You shall keep the Service Equipment insured against all risks, at all times, for its full replacement value. Our interest in the Service Equipment shall be noted in the policy, and in the event of loss or damage to the Service Equipment, shall be payable directly to us; you authorise us to give a good and valid receipt in respect of such policy monies.

13.17 You shall, from the Time of Install, have available all necessary equipment for which you are responsible to allow effective installation, and use of the Service(s).

Damage to equipment caused by you

13.18 You shall be responsible for any all damage to Service Equipment which is caused by:

- (a) Exempted Failures, as defined in Clause 6.2(d);
- (b) any malfunction or failure of any equipment, or facility, provided by you, or your agents, employees, or suppliers, including your Equipment.

Compliance with Acceptable Use Policy

13.19 You shall use the Service(s), and shall ensure that the Service(s) are used only in compliance with the Acceptable Use Policy appropriate for each Service. These may be updated and/or amended from time to time. 13.20 You undertake:

- (a) to try your best to remove or prevent access to any material which causes or is likely to cause you or any User to be in breach of the Acceptable Use Policy, as soon as reasonably possible (and in any event, within 24 hours) following us notifying you of such an occurrence or following notification by any appropriate government, judicial or regulatory body;
- (b) to allow us to and you will assist us in the removal or prevention of access to any statements and material which cause or are likely to cause you or any User to be in breach of the Acceptable Use Policy, irrespective of whether or not such removal or prevention of access involves impairment to the Service(s); and
- (c) to indemnify and keep us free from and indemnified against all claims, proceedings, demands, liabilities, costs and expenses whatsoever arising out of, brought or threatened against us by any User or any third party in connection with breach of the Acceptable Use Policies.

Access to Service(s) by third parties

13.21 You undertake that, except in accordance with Clause 13.22, you will ensure that no third party may use, or access, the Services. For the avoidance of doubt, this undertaking shall not stop you on-selling aspects of the Services to Users, or any User (an "On-selling User") from on-selling aspects of the Services to any other User ("Downstream User"), provided that it is done in accordance with this Agreement. 13.22 You undertake to ensure that a valid and enforceable agreement subsists between you and your respective User (and each On-selling and any Downstream Users), and that each such agreement includes provisions enforceable at you instance effectively equivalent to those in Clauses 13.19, 13.20, 13.21, and this Clause, 13.22.

Intellectual property

13.23 Intellectual property rights in all software supplied to you in connection with the Service(s) shall remain our property or our relevant licensor. You agree to comply with (and where so required, formally execute) any licence or agreement proposed by the owner or licensor of such intellectual property rights providing (inter alia) for the protection of rights in such software.

13.24 You warrant and undertake that you are either the owner of or have been duly authorised by the legitimate right-holder to use as your Name any name (whether it constitutes a registered or unregistered trade mark or otherwise) which you chooses to use for such purpose. You acknowledge that we cannot guarantee that any Name requested by you will be available or approved for such use. Liquid shall be entitled to require you to select a replacement Name and may suspend Service if, in the reasonable opinion of Liquid, there are grounds for Liquid to believe that your choice of Name is, or is likely to be, in breach of the warranty and undertaking in Clause 13.9.

Back-ups and data storage

13.25 Save in circumstances where the relevant Service Order(s) expressly include the backing-up of Customer's data (or any Users), you undertake to keep regular and accessible back-ups of all such data, and on request to provide us with such back-ups as quickly as is reasonably possible. Failure to

keep and provide on request such backups is a breach by you of this Agreement. Where Service(s) would not otherwise fail to meet the Service Level Specification but for the inability to restore Customer (or User) data due to your failure immediately upon request to provide a back-up in accordance with this Clause, this shall not constitute or give rise to a Service Interruption.

Acceptable Use Policy

13.26 You may not permit, enable or allow a third party to use any part of the network unless we authorise such use in writing, and you indemnify us against any loss, damage, cost or expense suffered or incurred by us arising out of your breach of this clause. You must ensure that the service is only used for the purpose authorised, and not by yourselves or any third party for any fraudulent, criminal, defamatory, offensive, abusive, or obscene purpose. Nor must the usage infringe the rights of Liquid, or any third party. You undertake to comply with all applicable laws, regulations, and reasonable instructions from Liquid in this respect. The Customer warrants and undertakes to us that it will not by itself or others: use its web site (where Liquid is providing the hosting service for the web site) for unlawful purposes; knowingly or recklessly post, link to or transmit; or permit third party users to post, link to or transmit: any material that is abusive, threatening, harmful, malicious, defamatory, obscene, pornographic, profane or otherwise unlawful; any material containing a virus or other hostile computer program; it will not post, link to or transmit any material that constitutes or encourages a criminal offence, gives rise to civil liability or infringes the intellectual property rights of any third parties; knowingly or recklessly transmit, or permit third party users to transmit unsolicited email in breach of UK law including the Privacy and Electronic Communications (EC Directive) Regulations 2003. Liquid may suspend the Customer's Service(s) immediately and without notice to the Customer in its sole discretion if in Liquid's opinion the Customer has or has knowingly, recklessly or negligently permitted any breach of the Acceptable Usage Policy, or if it receives any complaint that unsolicited email has been transmitted by the Customer, or by the Customer's agents or customers, or if any material hosted on the Customer's web site(s) or server(s) (in respect of which Liquid is providing a hosting service) may be unlawful, harmful or defamatory. Liquid may disclose the Customer's name and address to a complaining third party if in our reasonable discretion it is necessary or appropriate to do so, for example if there is evidence of a prima facie case that the Customer's web site(s) or server(s) in respect of which Liquid is providing a hosting service is infringing the rights of a third party.

Fair Usage Policy

13.27 With Liquid Voice, you may be subscribed to Free calls to UK standard landlines. Usage above 20 hours per handset per month of free UK calls to standard landlines is deemed to be in breach of 'fair usage'. 13.28 With our Support Desk and Support Packages, usage above 10 calls per month per person is deemed to be in breach of 'fair usage'.

14. Licence

14.1 We grant you a non-exclusive, non-transferable licence to:

- (a) use the Service Equipment; and
- (b) use the Services;

under this Agreement and any related Service Order(s). The grant is limited to the use of the Licensed material in connection with the Service. The rights granted to you are personal and you agree that you will not:

- (i) copy the whole or any part of the Licensed Material;
- (ii) assign, transfer, sell or deal in the Licensed Material;
- (iii) modify, merge or combine the whole or any part of the Licensed Material reverse compile, reverse assemble or take any steps to derive the source code equivalent of the Licensed Material.

14.2 This Licence shall cease upon the termination for whatever reason of this Agreement at which point all Licensed Material and copies will be returned to Liquid.

14.3 This Licence may not be transferred nor may you sub-licence any rights granted hereunder (other than under express provisions in this Agreement) without our prior written consent (such consent not to be unreasonably withheld) Save to the extent expressly provided in this Agreement, no licence, express or implied, is granted by us to you under this Agreement.

14.4 If you are provided with a telephone number (including a code) as part of the provision of our Liquid Voice services, then that code and number belongs to us and you will have no right to keep that number nor to sell, dispose or transfer that number at any time. We shall use our reasonable efforts to ensure that you are able to keep the number during the period of this agreement but we reserve the right to change the telephone number on reasonable notice at our sole discretion.

Where access to our Liquid Voice service is facilitated through BT number porting, you authorise us to have the numbers from the BT Lines routed through us instead of BT and to forward appropriate details of your porting application for the service to BT. You will receive advance notification of the change of service from BT to us and you acknowledge that our ability to provide the service is conditional upon BT porting the numbers.

14.5 You agree to indemnify us and accept full responsibility for claims made for failure to adhere to TPS (Telephone Preference Service) and/or CTPS (Corporate Telephone Preference Service)

15. Partnership

15.1 Nothing in this Agreement and no action taken by you or us shall constitute or be deemed to constitute a partnership, association, joint venture, or other co-operative entity between you and us.

16. Confidentiality

16.1 We and you each agree to keep confidential and use only for the purpose of exercising and performing their respective rights and obligations under this Agreement all plans, designs, trade secrets, and other Confidential Information which is disclosed or made available by us to you or vice versa. We and you undertake not to disclose to any third party such Confidential Information without the express written consent of the other. No obligation of confidentiality under this Clause 16 shall apply to Confidential Information which:

- (a) is already in the possession of the disclosing party without obligation of confidentiality owed to the other; or
- (b) has been developed by the disclosing party independently without access to any of the relevant Confidential Information; or
- (c) the disclosing party rightfully receives without obligation of confidentiality from a third party; or
- (d) enters the public domain other than by reason of any breach of this Agreement save that we shall have the right to publicise that you are a party to this Agreement in any advertising or promotion;
- (e) is necessary to provide, or enable the provision of, the installation and use of the Service(s).

17. Rights of third parties

17. No person who is not a party to this Agreement shall have any rights under The Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

18. Force Majeure

18.1 We shall not be liable for any delay or failure in performance of any part of this Agreement or any Service Order(s), other than for any delay or failure to pay money, to the extent that such delay or failure is caused by fire, flood, explosion, accident, war, strike, embargo, governmental or regulatory requirement, civil or military authority, Act of God, civil unrest, inability to secure materials or labour or any other causes beyond our reasonable control.

19. Assignment

19.1 You may not assign or transfer this Agreement or any Service Order(s) or any of your rights and obligations under them without our prior written consent (and we shall not unreasonably withhold or delay such consent).

19.2 We may assign or transfer this agreement or our rights in it to any third party.

20. Severability

20.1 If any provision of this Agreement is held by a court or any governmental agency or authority to be invalid, illegal, or unenforceable, such provision shall (to the extent possible) be severed from this Agreement and the remainder thereof shall nevertheless remain legal, valid, and enforceable.

21. Variation

21.1 Except as provided in this Agreement and by Clause 3.3 no term or condition of this Agreement or any Service Order(s) made under it shall be modified except by written agreement by duly authorised representatives of both you and us.

22. Waiver

22.1 Failure by you or us to exercise or enforce any right conferred by this Agreement shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof or to any other right on a later occasion.

23. Staff

23.1 You must not, without our express permission, actively initiate recruitment of any of Liquid's sale, operations, engineering, or provisioning staff during the life of, or for a period of 6 months for expiration, or termination, of this

agreement. If you breach this Clause, you must pay Liquid a sum equal to 6 months current gross salary of the relevant staff, in recognition of the value of the person to Liquid, and the cost of recruiting and training a replacement. The parties agree that this sum is a genuine pre-estimate of the loss likely to be suffered by Liquid in these circumstances.

24. Post-termination obligations

24.1 The provisions of Clauses 5, 7.3, 11, 12.5, 12.6, 13.8, 13.18, 16, 22 and 23 shall continue, notwithstanding termination of this Agreement.

25. Notices

25.1 Any notice required to be given by you under this Agreement shall be in Writing in the English language, and shall be deemed duly served if sent, by registered post, to: Three Tuns House, 109 Borough High Street, London, SE1 1NL; marked for the attention of our Customer Support Manager.

26. Governing Law

26.1 This Agreement shall be governed by the laws of England, and the parties agree to the exclusive legal jurisdiction of the courts of England, and that service of legal process upon their legal addresses, referred to on the first page of this document, shall be deemed as, and accepted to be, valid and proper service upon such party.

26.2 You, and Liquid, will each comply with our obligations under the Data Protection Act 1998 (as amended), as it applies to this agreement.

27. Interpretation

27.1 Clause headings shall not form part of this Agreement, and shall not be taken into account in the construction, or interpretation.

27.2 References to "Clauses" are to clauses of this document.

28. Precedence

28.1 In the event of any conflict between the documents comprising this Agreement, they shall be interpreted using the following hierarchy: (i) Service Order Form; (ii) this Master Services Agreement.