

Stitch Networks Limited

LEASED LINE SCHEDULE

Last Updated: 18th May 2017

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This Addendum relates only to our leased line products. They do not relate to any other product or service supplied by Stitch Networks Limited unless specified herein.

1. Definitions and Interpretation

In this Service Agreement, the following expressions shall have the following meanings unless the context otherwise requires:

"Billing Period"	means 1 month periods of time for the billing of Rental and other Charges under this Agreement or any Contract to the Client;
"Business Days"	any day which is not a Saturday, a Sunday or a bank or public holiday in England;
"Charges"	means the charges for the installation and use of Leased Line Services together with any charges for additional services and equipment due by the Client to Stitch Networks Limited in terms of the Services Agreement;
"Circuit"	means a Leased Line circuit whether for the provision of Internet Leased Line Services or Point to Point Leased Line Services;
"Client Provided Apparatus"	means any apparatus at the Sites (not being Services Equipment) provided and used by the Client and/or a User in order to use the Services;
"Client"	means the Party identified in Schedule 1 of this Agreement;
"EFM"	means Ethernet in the First Mile i.e. using Ethernet protocols up to the customer premises.
"EoFTTC"	Means Ethernet over Fibre to the Cabinet utilising a hybrid of copper and fibre. A phone line is supplied as part of this circuit. EoFTTC is the name TalkTalk apply to this service.
"GEA"	GEA is the name BT Wholesale apply to the EoFTTC product. A phone line needs to be present in order to install this service.
"Go Live Date"	means the date on which Stitch Networks Limited notifies the Client or any User that the Service or part thereof are ready for use or, if earlier, the date on which the Client or any User first makes use of the Service or part thereof;
"Help Desk"	the telephone helpdesk described in Clause 7.1;
"Incident Report"	notification of an Incident which is raised by Stitch Networks Limited or by the Client;
"Incident"	a failure of the Service to operate in accordance with its published specification;
"Installation Charges"	means the charges payable for installation of Services Equipment and for the commissioning and configuration of Services, as specified in the Order or as subsequently varied in accordance with the terms of this Agreement;
"Leased Line"	means a circuit provided by Stitch Networks Limited as described in clause 5;
"Normal Business Hours"	the hours between 09:00 and 17:30 on Business Days;
"Operations Manual"	the Stitch Networks Limited operations manual applicable to the Services as may be amended from time to time;
"Order"	means a request for the provision of Services by the Client which has been accepted by Stitch Networks Limited in accordance with Clause 6 of this Agreement;
"Priority Level"	the priority levels specified in the table set out at Clause 8.4.1;
"Protected Circuit"	means a Circuit the local tail of which is protected fibre;
"Rental"	means the rental payable by the Client to Stitch Networks Limited for the provision of Services and the Services Equipment as specified in the Order or as increased or decreased by Stitch Networks Limited in accordance with the terms of any Contract;
"Service Credits"	means reductions in certain charges or compensation payments in respect of Stitch Networks Limited failing to meet specified Service Levels, calculated in the manner set out in this Agreement;

"Service Provider"	means any third party who from whom Stitch Networks Limited procures services in order to provide the Services under this Agreement;
"Services Equipment"	means any apparatus, equipment and cabling provided by Stitch Networks Limited at a Site as an essential part of providing Services under the terms of this Agreement;
"Services"	means the supply of 1st and 2nd line broadband technical helpdesk Services provided by Stitch Networks Limited to the Client as specified in the Order and "Service" shall have a corresponding meaning;
"Site"	means the premises or other locations from and to which Services are to be provided to the Client as specified in the Order;
"Support Service"	the support services described in clause 7;
"Target Go Live Date"	means the target date agreed between Stitch Networks Limited and the Client for the commencement of Services as set out in an Order or as subsequently revised by the Client in accordance with the terms of this Agreement;
"the Act"	means the Communications Act 2003;
"the Code"	means any Code of Practice relevant to the Services issued by PhonepayPlus or Ofcom as amended from time to time;
"this Agreement"	means this Service Agreement and its Schedules and any Order;
"Unavailable Time"	means a period of time when there is a total break in transmission.
"Unprotected Circuit"	means a Circuit the local tail of which is unprotected copper or fibre;

- 1.1. The Condition and Schedule headings are for convenience only and shall not affect the interpretation of this Agreement.
- 1.2. References to the singular include the plural and vice versa, and references to one gender include the other gender.
- 1.3. Any phrase introduced by the expressions "includes", "including" or "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.4. Any reference to a statute, statutory provision or subordinate legislation (together "legislation") shall (except where the context otherwise requires) (i) be deemed to include any bye-laws, licences, statutory instruments, rules, regulations, orders, notices, directions, consents or permissions made under that legislation and (iii) shall be construed as referring to any legislation which replaces, re-enacts, amends or consolidates such legislation (with or without modification) at any time.
- 1.5. Unless specifically provided to the contrary all notices under this Agreement shall be in writing.
- 1.6. References to times are to London times.
- 1.7. Any reference to an "hour" means an hour in a day and any reference to a "day" means a period of 24 hours running from midnight to midnight.
- 1.8. Except to the extent that they are inconsistent with the definitions and interpretations in this Agreement or are otherwise defined in this Agreement, the definitions and interpretations in the Master Agreement shall apply to this Agreement.
- 1.9. The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 1.10. References to Clauses and Schedules are to the Clauses and Schedules of this Agreement.

2. The Service Agreement

- 2.1. The terms of the Master Agreement shall apply in relation to the supply of the Services and the terms of this Agreement shall apply between the parties as if the Master Agreement were incorporated into this Agreement.
- 2.2. Notwithstanding Clause 3.1 the Master Agreement shall remain fully effective and unamended, in relation to the supply of any goods and or services other than the Service.

3. Duration of Services

- 3.1. For the duration of this Agreement Stitch Networks Limited agrees to:
 - 3.1.1. provide the Client with the Services on the terms of this Agreement;

- 3.1.2. exercise the reasonable skill and care of a competent communications provider in providing the Service and if required, in determining how best to provide the Service to a Site;
 - 3.1.3. use its reasonable endeavours to provide the Service by the Target Go Live Date and in accordance with the service levels set out in this Agreement but all dates are estimates and except as set out in the service guarantee provisions, Stitch Networks Limited has no liability for failure to meet any date;
- 3.2. It is technically impracticable to provide a fault free Service and Stitch Networks Limited does not undertake to do so. Stitch Networks Limited agrees to repair any faults in accordance with the service standards as set out in this Agreement.
 - 3.3. The Service Minimum Period for Leased Line Services shall be as provided for in the relevant Order.

4. Description of Leased Line Services

- 4.1. Leased Line Services are provided as:
 - 4.1.1. Internet Leased Line Services – a dedicated, private, fixed capacity circuit delivered from the Stitch Networks Limited Network to the Client Site with Internet connectivity. These Services may share infrastructure with the Stitch Networks Limited Network and/or that of other Service Providers. Internet Leased Line Services are delivered as a Fully Managed Service with an Stitch Networks Limited supplied router, 24/7 remote monitoring and management by Stitch Networks Limited network operations.
 - 4.1.2. Unmanaged Internet Leased Line Services – a dedicated, private, fixed capacity circuit delivered from the Stitch Networks Limited Network to the Client Site with Internet connectivity. These Services may share infrastructure with the Stitch Networks Limited Network and/or that of other Service Providers. Internet Leased Line Services are delivered to the customers premises, but it is the customers responsibly to supply the termination equipment and to monitor.
 - 4.1.3. Point-to-Point Leased Line Services– a dedicated, private, fixed capacity circuit delivered point to point between Client nominated sites. Point-to-Point Leased Line Services do not share infrastructure with the Stitch Networks Limited Network and will be delivered as a stand-alone Service which will not be monitored by Stitch Networks Limited.

5. Orders for Leased Line Services

Orders for Leased Line Services shall be completed according to process set out in this clause.

- 5.1. Quotations can be generated online via the Customer control panel.
- 5.2. All quotations made by Stitch Networks Limited shall be deemed to be made subject to the terms and conditions of this Agreement and survey.
- 5.3. If excess construction charges (ECC) are applicable in order to provide the Services Stitch Networks Limited shall notify the Client in writing of the charges and the reasons for them. The Client shall indicate acceptance of the excess construction charges in writing. 50% of ECC charges will be required to be paid prior to Stitch Networks Limited confirming acceptance to the carrier.
- 5.4. If no ECC charges are identified the order will proceed and the ability to cancel free of charge is no longer available.
- 5.5. The provision of an online Order via the Customer Control Panel by the Client shall constitute an offer to acquire the Services specified in the Technical Requirements Document subject to (i) confirmation that the Services can be provided and (ii) where excess construction charges are applicable, acceptance of those charges in terms of clause 3.
- 5.6. No Order shall be binding on Stitch Networks Limited until that Order has been accepted by the Stitch Networks Limited Provisioning Team by notice to the Client.
- 5.7. Upon acceptance by Stitch Networks Limited the Services shall be provided under the terms of this Agreement.
- 5.8. A request for the upgrade or downgrade of an existing Service shall not be considered a request for services in terms of this clause 5 but on acceptance by Stitch Networks Limited will be deemed an amendment of the existing Order under which those Services are provided.

6. Support Services

6.1. Help Desk Support

During the hours of Service specified in Clause 6.2, Stitch Networks Limited will provide a client service and administration telephone help desk facility ("Help Desk") for the benefit of the Client. Stitch Networks Limited shall accept calls for English language telephone support in connection with Orders and Faults during the hours of Service specified in Clause 6.2.

6.2. Hours of Service

- 6.2.1. The Help Desk is available to receive calls for reporting on all Faults via telephone 24 hours a day 7 days a week, including Bank and Public Holidays. Out of hours phone numbers will be provided. During business hours all calls and faults must be reported via the normal support phone number stated on our website. Prior to raising a fault it is expected the customer has followed our standard procedures and have collected the appropriate information before contacting the support desk.
- 6.2.2. The support team will aim to deliver proactive updates via email and / or phone, which ever is deemed to be most suitable.

6.3. Scheduled and Emergency Maintenance

- 6.3.1. From time to time Stitch Networks Limited may interrupt the Service to maintain, update or enhance software Equipment or other aspects of the Service and/or the Stitch Networks Limited Network ("Maintenance Events"). Stitch Networks Limited will, where possible, give the Client a minimum of 2 Business Days advance notice of such events, and where possible will schedule Maintenance Events so as to cause minimum interruption of the Service. For the avoidance of doubt, it may not be possible to give such notice where interruption to the Service is necessary to deal with Incidents occurring in connection with the Service.
- 6.3.2. From time to time Stitch Networks Limited may interrupt the Service to carry out emergency maintenance to the Stitch Networks Limited Network in order to maintain appropriate levels of service quality and to provide where possible minimum impact to the Service.
- 6.3.3. The Client shall give all reasonable assistance to Stitch Networks Limited to enable Maintenance Events to commence on the planned date and for them to be completed efficiently.
- 6.3.4. Any Maintenance Events which occur during Normal Business Hours, and which were not requested by the Client, shall be considered downtime for the purpose of service availability measurement set out in clause 8.

7. Service Management

7.1. Incident Reporting

- 7.1.1. Stitch Networks Limited shall supply monitoring and management of Internet Leased Line Services 24 hours a day 7 days a week together with pre-emptive Incident reporting to the Client whenever reasonably possible. In the event that any Incident is experienced by the Client that it has not been identified by Stitch Networks Limited, the Client must submit an Incident Report to our support teams by telephone or via email.
- 7.1.2. For Point to Point Leased Line and Unmanaged Leased Line Services clause 7.1.1 does not apply and the Client will be responsible for the submission of Incident Reports to Stitch Networks Limited.
- 7.1.3. All Incident Reports submitted by the Client must provide a complete description of the Incident and any information reasonably requested by Stitch Networks Limited.
- 7.1.4. The support team will require the Client to conduct first line diagnostics with any of its Users where appropriate.
- 7.1.5. If the Client reports any Incident via an email outside of Normal Business Hours, the Client must place a follow up call to the out of hours number in order to notify the Stitch Networks Limited engineer of the nature of the Incident.

7.2. Incident Response Timescales

- 7.2.1. Stitch Networks Limited shall use best endeavours to assign an Incident to an appropriate Stitch Networks Limited engineer within 30 minutes of the generation or receipt of a fault for no less than 95% of Incidents properly submitted to Stitch Networks Limited by the Client in accordance with Clause 7.1.

7.2.2. Stitch Networks Limited shall use best endeavours to make an update on an Incident available to the Client via email within the response times specified in Clause 7.4.1.

7.3. Incident Resolution Targets

Stitch Networks Limited shall use reasonable endeavours to clear Incidents within the time scales specified within the Incident classification matrix set out in Clause 7.4.1

7.4. Incident Classification Matrix

7.4.1. The Incident classification matrix set out below outlines the description, resolution and scheduled updates frequencies for the associated Incident priorities.

Priority	Description	Target Resolution	Stitch Networks Limited Response Time
High	<p>1. 2. Total loss of Service resulting from a single event.</p> <p>3. User has total loss of Service / product or degraded beyond usable limits.</p> <p>4. Degraded Service. E.g. Errors, packet loss to router interface, Inability to transmit/receive where Business operations are severely impacted.</p>	<p>5. 4 hours (Fibre)</p> <p>5 Hours (GEA)</p> <p>6. 7 Hours (EoFTTC)</p> <p>7 Hours (EFM)</p>	<p>7. 1 hour followed by updates each hour</p>
Medium	<p>8. 9. Partial loss of Service or degradation of Service, resulting from one event.</p> <p>10. Partial loss where Service is intermittent or slow throughput.</p> <p>11. Dribbling errors; packet loss less than 25%; slow throughput;</p>	<p>12. 24 hours</p>	<p>13. 6 hours</p>
Low	<p>14. 15. Service Enhancement* that requires a change to the existing Service and/or Stitch Networks Limited Network components that will facilitate Service.</p> <p>16. (*Service Enhancements exclude speed upgrades which are considered on a case-by-case basis and the Stitch Networks Limited shall endeavour to resolve within 5 Business Days)</p> <p>17. Service requests or changes etc</p>	<p>18. 3 Business Days</p>	<p>19. -</p>

7.4.2. The Client understands and accepts that it may be necessary to extend the timescales in the Incident classification matrix above due to the complexity of the Incident or where Stitch Networks Limited is dependent on a third party for resolution of the Incident. In such circumstances, Stitch Networks Limited shall use reasonable endeavours to eliminate or reduce the impact of the Incident on the Service by provision of a workaround, with permanent correction to follow.

7.5. Clearance of Incidents

Stitch Networks Limited will clear an Incident reported to Stitch Networks Limited by the Client in accordance with this Agreement and an Incident Report will be considered to have been cleared where either:

7.5.1. it is corrected by Stitch Networks Limited (including the provision of a temporary fix); or

7.5.2. Stitch Networks Limited has investigated the Incident and Stitch Networks Limited’s initial fault diagnostic testing indicates that the Incident is not found and/or is not the fault of Stitch Networks Limited; and this has been confirmed by Stitch Networks Limited to the Client.

7.6. Escalation Process

Stitch Networks Limited will provide an escalation process where an Incident is understood as a clear request for the support of a higher technical or management level in order to clear the Incident. If the Incident is considered to be not progressing in a satisfactory manner or if it is foreseen that the targeted time to repair will not be met, either Party may escalate the Incident.

8. Service Availability and Credits

8.1. Overall Service Availability

- 8.1.1. Stitch Networks Limited aims to provide the Service with a target of 100% availability at all times, subject to the terms of this Agreement.
- 8.1.2. If there is an Outage, based on Stitch Networks Limited's data, Stitch Networks Limited will apply a reduction to the Customer's rental charge for the Service as follows, provided the Customer reports the Outage and claims for a reduction to the rental charge in accordance with 8.1:
 - a) where the Outage Period is greater than the limits set in 7.4.1, Stitch Networks Limited will apply a credit equivalent to one (1) day's rental charge per hour of downtime for that Service in excess of the target resolution. For the purpose of calculating the Outage Period, a fraction of one (1) hour will be rounded-up to the nearest hour;
 - b) where the Customer has taken a Stitch Networks Limited Resilient option and experiences an Outage, Stitch Networks Limited, in accordance with this paragraph, will apply a reduction to the rental charges of both the primary and secondary links.
- 8.1.3. For the purposes of this clause 8.1, overall service availability excludes:
 - a) scheduled Maintenance Events as described in clause 6.3;
 - b) Client-caused or third party-caused outages or disruptions (except to the extent that such outages or disruptions are caused by those duly authorised third parties sub-contracted by Stitch Networks Limited to provide the Service); or
 - c) outages or disruptions attributable in whole or in part to force majeure events;

8.2. Limit on compensation

- 8.2.1. Any Service Credits due to the Client shall be the Client's sole and exclusive remedy with respect to such failures and shall be in lieu of any other remedy which the Client may have at law.
- 8.2.2. The maximum compensation for Unavailable Time the Client can receive in any month is an amount equal to 100% of the Rental due in respect of that Service for the month in which the failure(s) occur and the maximum compensation in aggregate the Client can receive is an amount equal to 25% of the annual rental for the period covered by a 12 months cycle, the first such cycle starting on the Go Live Date.

8.3. How Stitch Networks Limited will pay Service Credits

- 8.3.1. Any compensation payable under 7.4.1 above will be credited on the Client's invoice for Rental for the following Billing Period.

8.4. Exclusions from service availability and service credits

The service levels, service guarantees and any Service Credits will not apply if:

- 8.4.1. the failure by Stitch Networks Limited is due to the Client's own network or equipment or any other network or equipment outside the Stitch Networks Limited Network; or

- 8.4.2. the Client is in breach of any part of this Agreement or Stitch Networks Limited suspends the Service or any part of it in accordance with this Agreement; or
- 8.4.3. through no fault of its own or because of circumstances beyond its reasonable control, Stitch Networks Limited is unable to carry out any necessary work at, or gain access to the Client's Site and/or an End User's Site or the Client fails to agree an appointment date or work is aborted; or
- 8.4.4. the Client and Stitch Networks Limited agree a different timescale for performance of the Service, but will apply to any new Target Go Live Date agreed, provided that the new date is after any previous Target Go Live Date(s); or
- 8.4.5. reasonable assistance is required or information is reasonably requested by Stitch Networks Limited or a Service Provider from the Client, End User or a third party and such assistance or information is not provided; or
- 8.4.6. through no fault of its own, Stitch Networks Limited is unable to obtain any necessary permissions or consents required in connection with the performance of a particular service level; or
- 8.4.7. the failure is due to a Force Majeure event; or
- 8.4.8. the failure is due to a scheduled Service outage; or
- 8.4.9. the failure is due to an inaccurate Order being submitted by the Client; or
- 8.4.10. the fault is not reported in accordance with clause 8.1 for Point to Point and Unmanaged Leased Line Services.

8.5. Network Performance

8.5.1. Stitch Networks Limited Packet Success Service Level Guarantee

Stitch Networks Limited's packet success goal is based on the successful delivery of packets through the Stitch Networks Limited IP network. Unsuccessful packets are deemed to be those dropped due to transmission errors or router overload.

a) Stitch Networks Limited's packet success Service Level Guarantee ("Guarantee") is successful delivery of packets will meet or exceed 99% between Stitch Networks Limited-designated IP backbone paths for Leased Line Services.

b) The measurement consists of 50 100-byte pings sent every 15 minutes. A daily average will be calculated using these 96 samples. The daily measurements will be averaged to calculate a monthly average.

c) Should Stitch Networks Limited fail to meet the Guarantee in two consecutive calendar months, the Client is entitled to a one (1) day prorated credit of the Rental for the second month and an additional one (1) day prorated credit for any consecutive month in which the Guarantee is not met. To receive the credit the Client must contact Stitch Networks Limited's customer service group within 30 days of the end of the month for which credit is requested. Credits will be paid to the Client in terms of clause 9.4.2.

8.5.2. Stitch Networks Limited Latency Service Level Guarantee

Stitch Networks Limited's Latency Service Level Guarantee ("Guarantee") is based on an average round-trip transmission between Stitch Networks Limited-designated backbone POPs for Stitch Networks Limited services. Latency shall be measured by Stitch Networks Limited averaging sample measurements taken during a calendar month between such backbone POPs.

- Latency of 50ms or less - The measurement consists of 50 100-byte pings sent every 15 minutes. A daily average will be calculated using these 96 samples. The daily measurements will be averaged to calculate a monthly average.

9. Charges Mandated By Service Provider

Stitch Networks Limited reserves the right to pass on to Clients on a cost-plus basis (adding 10%) any charges levied by the Service Provider to which it is exposed as a result of the Client and/or its Users' actions.

10. Equipment

- 10.1. All Services Equipment remains the property of Stitch Networks Limited at all times.
- 10.2. The Client agrees to:
 - 10.2.1. prepare the Site and provide a suitable place, conditions, connection points and electricity for Stitch Networks Limited or carrier Equipment at the Site in accordance with Stitch Networks Limited's reasonable instructions, if any; and
 - 10.2.2. obtain all necessary consents, including for example, consents for any necessary alterations to buildings, permission to cross other people's land or permission to put Stitch Networks Limited/carrier Equipment on their property.
 - 10.2.3. The Client is responsible for Stitch Networks Limited equipment and agrees to take reasonable steps to ensure that nobody (other than someone authorised by Stitch Networks Limited) adds to, modifies or in any way interferes with it. The Client will be liable to Stitch Networks Limited for any loss of or damage to Stitch Networks Limited Equipment, except where such loss or damage is due to fair wear and tear or is caused by Stitch Networks Limited, or anyone acting on Stitch Networks Limited's behalf.

11. Connection of Equipment

- 11.1. Any equipment connected to the Service must be:
 - 11.1.1. technically compatible with the Service and not harm the Stitch Networks Limited Network, the Service or Stitch Networks Limited Equipment or another party's network or equipment;
 - 11.1.2. connected and used in line with any relevant instructions or laws; and
 - 11.1.3. connected and used in line with any relevant standards including, in the order of precedence set out below:
 - (i) Any legal requirements imposed upon the parties including requirements arising from General Condition 2 set under section 45 of the Communications Act 2003;
 - (ii) any relevant specification notified by Ofcom in implementation of the recommendations of the Network Interoperability Consultative Committee;
 - (iii) any recommendations by the European Telecommunications Standards Institute; and
 - (iv) any recommendations by the Telecommunications Standards Bureau (formerly the International Telegraph and Telephone Consultative Committee) of the International Telecommunication Union.
 - 11.1.4. The Client agrees to connect equipment to the Service only by using the NTE provided by Stitch Networks Limited with the Service.
 - 11.1.5. Stitch Networks Limited will not be liable for failure to meet any service level or other obligations under this Agreement if any equipment is found to be connected otherwise than in accordance with this clause.
 - 11.1.6. Stitch Networks Limited reserves the right to disconnect any Client equipment if the Client does not fulfil its obligations under this Clause 12 or if in the reasonable opinion of Stitch Networks Limited Client Provided Apparatus is liable to cause the death of, or personal injury to any person.

12. Access and Site Regulations

- 12.1. The Client agrees to take reasonable steps to provide access to the Client's Site and to ensure that the End User provides Stitch Networks Limited with access to the End User's Site including for the purpose of installation and use of the Stitch Networks Limited Equipment at the Client's Site and/or at the End User's Site.
- 12.2. Stitch Networks Limited agrees to observe the Client's and the End User's reasonable Site safety and security requirements.
- 12.3. The Client agrees to provide and agrees to take reasonable steps to ensure that the End User provides a suitable and safe working environment for Stitch Networks Limited at the Client's Site and/or the End User's Site. The Client agrees to indemnify Stitch Networks Limited against all loss, damages, liabilities, costs and expenses arising or incurred in respect of any actions, claims or legal proceedings which are brought or threatened against Stitch Networks Limited if the Client is in breach of this sub-clause. The limitation of liability provisions of this Agreement do not apply to this indemnity.

- 12.4. It is the responsibility of the Client or End User to carry out any making good or decorator's work required but Stitch Networks Limited accepts responsibility for any property damage caused by Stitch Networks Limited's negligence subject to the limitation of liability provisions of this Agreement.

13. Charges

- 13.1. The Client shall pay to Stitch Networks Limited the Installation Charges and Rental and any other charges due under this Agreement. Such charges shall be invoiced monthly in advance. The first Billing Period shall commence on the Go Live Date.
- 13.2. All Charges payable hereunder by the Client shall be payable to Stitch Networks Limited in British Pounds Sterling in immediately available funds within agreed credit terms after the date of Stitch Networks Limited's invoice.
- 13.3. Where any Go Live Date is delayed at the Client's request or by virtue of the Client's act, neglect or failure to fulfil its obligations hereunder, the Rental for the first Billing Period and Installation Charges for that Service shall be payable no later than the Target Go Live Date for that Service unless otherwise agreed in writing between the Parties.
- 13.4. Stitch Networks Limited shall be entitled to increase Rental and other charges payable by the Client after expiry of the Minimum Period from time to time by giving the Client not less than four (4) weeks' prior written notice.
- 13.5. The Charges are exclusive of all applicable taxes, including Value Added Tax, sales taxes and duties or levies imposed by any authority, government department, all of which, if any, shall be assumed and paid promptly when due by the Client.
- 13.6. Without prejudice to Stitch Networks Limited's right to treat non-payment or late payment as a repudiatory breach of this Agreement, in the event of non-payment of any invoice which is not the subject of a bona fide dispute Stitch Networks Limited reserves the right to charge daily interest on any outstanding amounts until payment is received in full at the rate set out in the Late Payment of Commercial Debts (Interest) Act 1998 as current from time to time whether before or after judgment until the date actual payment is received together with all external costs reasonably and necessarily incurred by Stitch Networks Limited in securing such payment and/or obtaining such judgment, as the case may be.
- 13.7. All sums due to Stitch Networks Limited under this Agreement shall be payable by the Client in full (without any set-off, deductions or withholding whatsoever) by Bank Transfer, Direct Debit or Credit / Debit Card.
- 13.8. Stitch Networks Limited reserves the right at any time to require the Client to issue a deposit, irrevocable letter of credit or other form of security acceptable to Stitch Networks Limited if the Client's financial circumstances or payment history is or becomes unacceptable to Stitch Networks Limited.

14. Use of the Service

- 14.1. The Client shall use the Services strictly in accordance with any reasonable operating instructions issued by Stitch Networks Limited from time to time.
- 14.2. The Client shall not itself or knowingly permit any User to use the Stitch Networks Limited Network or Services to do any of the following:
- 14.2.1. publish, post, distribute or disseminate defamatory, infringing, obscene, indecent or other unlawful material or information;
 - 14.2.2. threaten, harass, stalk, abuse, disrupt or otherwise violate the rights (including rights of privacy and publicity) of others;
 - 14.2.3. engage in illegal or unlawful activities through the Stitch Networks Limited Network;
 - 14.2.4. knowingly make available or upload files that contain software or other material, data or information not owned by or licensed to the Client, the User or Additional User (as appropriate);
 - 14.2.5. knowingly make available or upload files that contain a virus or corrupt data;
 - 14.2.6. falsify the true ownership of software or other material or information contained in a file that the Client, any User or Additional User makes available via the Stitch Networks Limited Network;
 - 14.2.7. "spam" or otherwise deliberately abuse any part of the Stitch Networks Limited Network;
 - 14.2.8. obtain access, through whatever means, to notified restricted areas of Stitch Networks Limited Network.
- 14.3. If the Client becomes aware that any User or Additional User is using the Stitch Networks Limited Network to perform any of the activities listed in Clause 4.3 it shall enforce the applicable terms in its agreement with its User(s) and shall use all best endeavours to stop such User from doing so. In the event that Stitch Networks Limited becomes aware that a User

or any Additional User is performing any of the activities listed in Clause 4.3, Stitch Networks Limited shall bring the breach to the attention of the Client in writing. If Stitch Networks Limited have not received, within one (1) Business Day of dispatch of such a message, a satisfactory response from the Client detailing the actions that have been taken to stop a User or Additional User performing in this way, which actions may include restricting the access of the User or Additional User to the Stitch Networks Limited Network or disconnecting the User or Additional User from the Stitch Networks Limited Network, then Stitch Networks Limited shall have the right to restrict the access of and/or disconnect the User(s) or Additional User(s) in question, and if necessary the entire Service, from the Stitch Networks Limited Network. If Stitch Networks Limited exercises its rights to disconnect a User or Additional it will notify the Client as soon as reasonably practicable in the circumstances.

14.4. Each Party shall provide the other with all reasonably necessary co-operation, information and support to prevent and/or stop any misuse of Stitch Networks Limited Network by Users.

15. Limitation of Liability

15.1. Nothing in this Agreement shall exclude or restrict either Party's liability for fraud, death or personal injury resulting from that Party's negligence.

15.2. Neither Party shall be liable to the other under or in connection with this Agreement, whether in contract, tort (including negligence), misrepresentation (other than where made fraudulently), breach of statutory duty or otherwise for:

15.2.1. any loss of business, contracts, profits, anticipated savings, goodwill, or revenue;

15.2.2. any loss or corruption of data; and/or

15.2.3. for any indirect or consequential loss whatsoever incurred by either Party, whether or not the Party relying on this Clause 15.2 was advised in advance of the possibility of any such loss.

15.3. Except in relation to Clauses 15.3 and 15.4 and the indemnity in Clause 16.2, the total aggregate liability of either Party to the other under or in connection with this Agreement shall not exceed the lesser of one hundred thousand pounds (£100,000) or the Charges due to Stitch Networks Limited in the previous 12 month period for any one event or series of events.

15.4. In relation to Clause 15.3 and 15.4 only, the total aggregate liability of the Client to Stitch Networks Limited shall not exceed two hundred thousand pounds (£200,000) for any one event or series of events.

15.5. The Client shall be liable to Stitch Networks Limited for all liabilities, claims and costs arising directly from the acts and omissions of any third parties (including Users) using the Service through the Client, relating to the Client's use of the Services except where such liabilities, claims and costs arise from Stitch Networks Limited's negligence or breach of this Agreement.

15.6. The Client agrees to indemnify defend and hold harmless Stitch Networks Limited against all liabilities claims, liabilities, losses and costs (including reasonable and properly incurred legal costs) arising directly in connection with the Client's use of the Service by the Client's Users or any third party using the Service through the Client except where such claims arise from Stitch Networks Limited's negligence or breach of this Agreement.

16. Termination

16.1. This Agreement may be terminated without penalty:

16.1.1. by Stitch Networks Limited providing sixty (60) days notice in writing provided that such notice shall not expire before the end of the Minimum Period; or

16.1.2. by the Client providing sixty (60) days notice in writing no later than (60) days prior to the expiry of the Minimum Period or any subsequent renewal.

16.2. Notwithstanding the termination of this Agreement the terms of this Agreement shall remain in force in respect of any Order until the expiry of the Minimum Period for the provision of Services in that Order. For the avoidance of doubt, the termination of this Agreement shall not be effective until the Minimum Period for any existing Order has expired.

- 16.3. Notwithstanding any other rights under this Agreement, either Party may terminate this Agreement immediately in the event that:
- 16.3.1. the other Party holds any meeting with or proposes to enter into or has proposed to it any arrangement or composition with its creditors (including any voluntary arrangement as described in the Insolvency Act 1986); has a receiver, administrator, or other encumbrancer take possession of or appointed over or has any distress, execution or other process levied or enforced (and not discharged within 7 days) upon the whole or substantially all of its assets; ceases or threatens to cease to carry on business or becomes unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or
 - 16.3.2. if either Party commits a material breach or other persistent breach of this Agreement which in the case of a breach capable of being remedied, is not remedied within thirty (30) days of a written request by the other Party to remedy the same.
- 16.4. Stitch Networks Limited may immediately terminate or suspend all or any part of this Agreement or the Services if:
- 16.4.1. Ofcom or PhonepayPlus determine, or Stitch Networks Limited reasonably considers, that use of the Services by the Client or any User or Additional User (i) does not constitute Appropriate Use (ii) is in breach or may be in breach of the Code or any other relevant statutory or regulatory act, regulation, code or similar (iii) is fraudulent or illegal or may be fraudulent or illegal; or
 - 16.4.2. if Ofcom or any other authority of competent jurisdiction revokes the supplier's authorisation as Public Electronic Communications Network under the Act and as a result Stitch Networks Limited can no longer legally comply with its material obligations under this Agreement and the Service Agreements.

17. Consequences of Termination

- 17.1. In the event of a customer terminating their service prior to the contractual period purchased, the customer agrees to pay any remaining rental charges from the date of cancellation to the date the contractual period finishes. Stitch Networks Limited reserve the right to levy a charge on the remaining period. For example, should three months remain on the contractual period and the service ceases prior to this final date, Stitch Networks Limited reserve the right to levy a single charge of three months collectively.
- 17.2. In the event of you cancelling the order once it has been placed, you agree to pay any charges levied by our carriers to us.