

Your Business Contract



o2.co.uk

O2 UK Limited, 260 Bath Road, Slough, Berkshire SL1 4DX
Registered in England No. 1743099. Registered Office as above.
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OZCN1562N ICE 01/14

Business Contract

Structure of the Agreement

The sections of this Agreement that will apply to the Customer will depend on what the Customer has ordered from O2 as follows:

- the Commercial Schedule (provided separately) will always apply;
- the General Conditions for Business Customers will always apply;
- the Mobile Equipment Terms will apply if the Customer has ordered Mobile Equipment directly from O2 (and not through one of O2's indirect partners). If the Customer has ordered mobile equipment through one of O2's indirect partners, the Mobile Equipment Terms will not apply, but the indirect partner may have supplied the Customer with their own terms applying to the mobile equipment the Customer has purchased;
- the Mobile Terms will apply if the Customer has ordered any of the Mobile Services, together with such Service Schedules relating to the particular Mobile Service(s) the Customer has ordered; and
- the Fixed Terms will apply to the Customer if the Customer has ordered any of the Fixed Services, together with such Service Schedule(s) relating to the particular Fixed Services the Customer has ordered.

GENERAL CONDITIONS FOR BUSINESS CUSTOMERS

1 DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following terms and expressions shall have the following meanings unless the context otherwise requires:

"Affiliate" means any undertaking which is a subsidiary undertaking or parent undertaking (including the ultimate parent undertaking) of the relevant party and any company which is a subsidiary undertaking of such parent undertaking (the terms subsidiary undertaking and parent undertaking company having the meanings set out in Section 1162 of the Companies Act 2006);

"Agreement" means this agreement between the Customer and O2 recorded in the documents described in clause 28 of these General Conditions;

"Charges" means the monies payable by the Customer to O2 under this Agreement, including Rental Charges, as set out in the Commercial Schedule, the relevant Service Schedule and the O2 Price List (as amended from time to time in accordance with the terms of this Agreement);

"Commencement Date" means the date upon which this Agreement has been signed by the Customer;

"Commercial Schedule" means the document or documents entitled Commercial Schedule, which set out the Charges associated with a particular Service, all of which shall form part of this Agreement;

"Confidential Information" means proprietary information and/or any information obtained from the party in connection with this Agreement (including for the avoidance of doubt details of the Customer's employees) which is: (i) reasonably identified by either party as commercially sensitive or confidential; (ii) obviously confidential in nature; or (iii) given in circumstances giving rise to an obligation of confidence;

"Customer" has the meaning set out in front of this Agreement in the section entitled "Your Agreement";

"Customer Employee" means any employee, consultant, agent or sub-contractor (or an employee or consultant thereof) engaged or employed by the Customer or any Third Party to provide a Service or services similar to a Service or any part of a Service;

"Customer Request Form" means a document which can be submitted electronically or manually by a Customer to O2 containing the detailed information necessary to fulfil a Customer's order for Services, in the form notified by O2 to the Customer from time to time;

"Customer Service Charter" means O2's standard customer service charter as amended by O2 from time to time and which is non-binding;

"Employee Liability Information" shall have the meaning ascribed to it in the TUPE Regulations, as amended from time to time;

"End User Licensed Software" means any software, the licence terms of which are governed by a separate agreement with the licensor of such software, typically by means of a "click wrap" or "shrink wrap" licence agreement;

"General Conditions" means this document entitled "General Conditions for Business Customers";

"Hardware" means hardware (including mobile phones) or equipment purchased by the Customer from O2 under this Agreement which may be used in the provision of the Services, as detailed in the Commercial Schedule, quotation, order form or other document agreed between the parties from time to time;

"Incident" means any reported event which is not part of the standard operation of a Service and which causes disruption to or a reduction in the quality of such Service;

"Internet" means the global data network comprising interconnected networks using the TCP/IP protocol suite;

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"Minimum Holding" means the minimum number of instances of a Service (e.g. lines) which must remain connected to a particular Service as specified in the Commercial Schedule or Service Schedule;

"Minimum Holding Charge" means, in relation to a particular Service, the Charges payable for that Service for a failure to reach and maintain the Minimum Holding(s), as specified in the Commercial Schedule;

"Minimum Holding Period" Means, in relation to a particular Service, the number of months from the Service Commencement Date within which the Customer is required to connect the Minimum Holding(s), as specified in the Commercial Schedule or Service Schedule;

"Minimum Period" means the minimum number of months a particular Service or instance of a Service must be in operation for which, unless specified otherwise in any Terms, a Service Schedule or the Commercial Schedule, shall be 12 months from the Service Commencement Date;

"Minimum Spend" means the minimum total expenditure which must be incurred by the Customer prior to the expiry of the Minimum Term, in relation to all or a particular Service or Services, as set out in the Commercial Schedule(s) or Service Schedule, and excludes any Hardware, equipment Charges or other line items, unless specified in the Commercial Schedule;

"Minimum Term" means the initial period of this Agreement as specified in the Commercial Schedule and if not specified shall be the period from the Commencement Date until the expiry of the last Minimum Period;

"Network" means the O2 network and the network of any Third Party used by O2 to supply the Services, as applicable;

"O2" means Telefonica UK Limited as set out in front of this Agreement in the section entitled "Your Agreement";

"O2 Employee" means any employee or other staff of O2 or an O2 Affiliate or any employee or other staff of any direct or indirect sub-contractor or supplier of O2 or an O2 Affiliate who provides the Services on behalf of O2;

"O2 Equipment" means equipment which is owned by O2, an O2 Affiliate or its suppliers and provided to the Customer to be used in connection with the Services (which for the avoidance of doubt includes Software but excludes Hardware and also includes all other items identified in this Agreement as "O2 Equipment");

"O2 Representative" means a representative of O2 and which includes a representative of O2's suppliers;

"O2 Price List" means the notes, descriptions and definitions of, criteria for use of, and the list of prices and charges which are charged to customers for Services, Hardware and/or use of O2 Equipment which may be amended by O2 from time to time. The O2 Price List is available at o2.co.uk;

"Rental Charge" means the monthly non-usage dependent part of the Charges for the Services, as specified in the Commercial Schedule;

"Replacement Services" means all or part of the Services or services substantially similar to all or part of the Services which are provided by an entity other than O2 following the termination of this Agreement (or the relevant part of this Agreement) or the termination of any or all of the Services;

"RPI Change" means an increase or a decrease as described in paragraph 5.6;

"RPI Rate" means the "RPI Percentage change over 12 months: monthly rate" announced by the Office for National Statistics in January 2014 or thereafter announced in the February preceding an RPI Change;

"Service(s)" means the service(s) identified in the Commercial Schedule(s) and provided by O2 to the Customer as such service(s) are described in the Terms, Service Schedules and/or Commercial Schedule as applicable and any other services agreed by the parties from time to time;

"Service Commencement Date" in respect of a Service or a particular instance of a Service means the date on which that particular Service or particular instance of a Service is first provided to the Customer, or as otherwise explicitly set out in this Agreement;

"Services Provider" means O2 or a O2 Affiliate or any direct or indirect supplier or direct or indirect subcontractor of O2 or a O2 Affiliate;

"Service Schedule" means the document entitled "Service Schedule" containing additional terms relating to a particular Service which schedule shall form part of this Agreement;

"Site" means (where applicable) a physical location at which any O2 Equipment or Hardware shall be located and/or at to which a Service shall be provided;

"Software" means any software, excluding End User Licensed Software, supplied to the Customer by O2 under this Agreement and includes all other software identified in this Agreement as "Software";

"Solution Build Document" and **"SBD"** means a design document produced by O2 and agreed between the parties, which describes particular Services in a greater level of detail, as further described in the relevant Service Schedule;

"Successor Supplier" means any entity (including the Customer where relevant) which provides the Replacement Services;

"Target Delivery Date" in respect of a Service means the date for the commencement of the provision of the relevant Service as specified by O2;

"Termination Fee" in respect of a Service, means the termination fee set out in the Commercial Schedule, and if not otherwise specified, means: the monthly Rental Charge for each instance of a Service multiplied by the remaining number of part or whole months in the Minimum Period for each instance of that Service; and the Minimum Holding Charge; and any shortfall between the actual Charges paid by the Customer and the Minimum Spend;

"Term" means the term of this Agreement as set out in clause 2.1 of these General Conditions;

"Terms" means documents entitled "Terms" containing additional terms relating to particular Services or equipment which shall form part of this Agreement;

"Third Party" means a person other than O2 or the Customer;

"TUPE Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended, re-enacted or extended from time to time);

"User" means Customer Employees, subcontractors, agents or anyone else who is permitted by the Customer to use the Service; and

"Working Day" means Monday to Friday (excluding UK bank and public holidays).

1.2 The headings in this Agreement are for ease of reference only and shall not affect its construction.

1.3 References in this Agreement to any statute or statutory instrument shall include any re enactment, modifications or amendments thereto for the time being in force.

1.4 References to clauses, sub-clauses, paragraphs, Terms and Service Schedules refer, unless otherwise stated, to clauses and sub-clauses of, and schedules to, this Agreement, and paragraphs to the Service Schedules.

1.5 Unless the context otherwise requires, the singular shall include the plural and vice versa.

1.6 Any obligation (including an obligation to "procure" or "ensure") assumed by an obligor under this Agreement takes effect as a primary obligation.

1.7 References in this Agreement to a Service shall include any instance of such Service as applicable (for example, reference to a landline Service shall include both all landline Services provided to the Customer and/or each individual landline, as the context requires).

1.8 Where a term or acronym appears in capital letters and is not specifically defined in this Agreement it shall have its industry standard meaning as would be reasonably understood by a customer or supplier of telecommunications or information technology services.

2 COMMENCEMENT AND TERM

This Agreement shall commence on the Commencement Date and shall continue for the Minimum Term and thereafter until the last remaining Service is terminated in accordance with this Agreement.

3 SUPPLY OF SERVICES AND/OR EQUIPMENT

3.1 In consideration of the Customer paying the Charges and fulfilling all of its commitments as set out in this Agreement, O2 shall supply the Services, Hardware and/or O2 Equipment as applicable in accordance with the terms of the Agreement.

3.2 O2 shall commence supplying a Service on the relevant Service Commencement Date and shall supply those Services for the relevant Minimum Period and thereafter until terminated by either party in accordance with the provisions of this Agreement.

4 O2 OBLIGATIONS

4.1 O2 will supply the Services with the reasonable skill and care of a competent telecommunications service provider.

4.2 O2 does not guarantee that the Services will be continuously available and/or fault-free. The Customer acknowledges that faults may occur from time to time, provided that any specific availability or service levels agreed between the parties or as set out in a Service Schedule will take precedence.

4.3 O2 will use reasonable endeavours to provide the Services subject to technical and commercial feasibility.

4.4 O2 shall be entitled to change the way it provides a Service, provided that any change to the way it provides such Service does not have a materially detrimental effect on the Customer.

4.5 O2 shall use reasonable endeavours to provide the Services and/or Hardware within any time periods and/or by any date indicated to the Customer, but all time periods and dates (including the Target Delivery Date) are estimates and

except where explicitly stated O2 shall have no liability for any failure to meet any date or perform any of its obligations within the time period indicated.

5 THE CHARGES

5.1 The Charges for Services and equipment detailed in the Commercial Schedule(s) are available subject to the Customer fulfilling all of its commitments as set out in this Agreement, including but not limited to:

- (a) paying the Charges in accordance with this Agreement; and
- (b) achieving any applicable Minimum Spend, Minimum Holding and/or Minimum Period.

5.2 The Customer shall pay the Charges for:

- (a) each Service (whether or not the Service is used by the Customer);
- (b) where applicable, the O2 Equipment and/or Hardware; and
- (c) any other products or services agreed between the parties from time to time, in accordance with this clause 5.

5.3 Most Charges are set out in the Commercial Schedule(s). Where a Charge is not set out in the Commercial Schedule, the Charge shall be:

- (a) as set out in the O2 Price List at the time the O2 Equipment, Hardware, Service or other agreed product or service was supplied; or
- (b) as notified to the Customer by O2 (including in a Service Schedule or SBD).

5.4 Usage based Charges shall be based upon data recorded by or on behalf of O2.

5.5 The Charges are exclusive of value added tax which will be charged at the prevailing rate.

5.6 In relation to Customers with 10 or fewer employees, O2 will increase or decrease monthly subscription charges during March 2014 and from 2015, and each year thereafter, during April, by the RPI Rate. O2 will publish the relevant RPI rate on its website as soon as it becomes available (an "RPI Change").

6 INVOICING AND PAYMENT

6.1 Unless otherwise agreed with the Customer, O2 may issue to the Customer on a monthly basis in relation to Services and on delivery in relation to Hardware one or more invoice(s) which shall set out the Charges due in accordance with this Agreement.

6.2 Unless otherwise stated in the Commercial Schedule, the Customer shall pay:

- (a) monthly, quarterly or annually (as applicable) in advance for Rental Charges and other recurring Charges (including inclusive usage Charges); and
- (b) monthly, quarterly or annually (as applicable) in arrears for usage (excluding inclusive usage Charges), connection and other non-recurring Charges.

6.3 O2 may, without prejudice to any other rights it may have, set off any liability of the Customer to O2 against any liability of O2 to the Customer.

6.4 If the parties agree that payments of the Charges to O2 are to be made by credit card and if payments of such Charges are not made on the due date, O2 is authorised to debit the Customer's nominated credit card company with all Charges due and payable to O2.

6.5 The Customer shall pay each invoice issued by O2 under this Agreement (including any invoice relating to Termination Fees) within 30 days of the date of invoice.

6.6 The Customer shall pay the Charges (including any Termination Fees) in full without any deduction or set off.

Late payment

6.7 Without prejudice to any other rights of O2, in the event of the Customer failing to pay any sums due to O2 on time or at all, notwithstanding notification by O2 of the overdue debt to the Customer, O2 shall be entitled to:

- (a) charge interest (both before and after any judgment) on amounts overdue from the Customer under this Agreement from the due date until the payment is actually made at the rate of 4% per annum over the base rate of The Bank Of England for the time being during the relevant period; and

- (b) suspend the provision of the relevant Service(s) with as much prior notice as O2 considers to be reasonably practicable, until such time as all payments due including all interest accrued has been paid and satisfied in full.

6.8 If O2 and the Customer agree in writing that O2 will issue individual invoices for certain Services for all or some of the Customer's Users, the Customer will ensure that each User pays O2 within 30 days of the invoice date either by direct debit or by continuous credit card authority. Such Users must update O2 with new credit card details should they change.

6.9 To avoid doubt, the Customer remains liable to O2 for all Charges whether or not invoiced to Users in accordance with clause 6.7. If Users do not pay their

individual invoices within 30 days of the invoice date, the Customer must pay them within 7 days thereafter.

6.10 If a Customer, in breach of clause 6.7, does not ensure that all Users pay by direct debit or by continuous credit card authority, O2 may charge the Customer for the additional cost of processing non-electronic payments from Users.

Credit security

6.11 Prior to O2's acceptance of a Customer's application for Services and/or following any credit check described in clause 3.0 of these General Conditions, O2 reserves the right to set a credit limit on the Charges that can be accrued under this Agreement and O2 can review any such credit limit at any time.

6.12 O2 may require from the Customer a deposit as security for payment of Charges. The Customer may request the return of any deposit paid at the expiry of each 12 month period after the deposit was taken but the decision to return any deposit prior to termination of the Agreement will be at the discretion of O2.

7 NEW SERVICES

New services on the terms of the O2 Price List

7.1 The Customer may request new services on the terms set out in the O2 Price List by placing a new service order under this Agreement. O2 shall be entitled to accept or reject a new service order. Once a new service order is accepted by O2:

(a) the new Service shall be deemed added to the Agreement (including for the avoidance of doubt, the terms of the O2 Price List applicable to the Service as well as any applicable Service Schedule(s)); and

(b) O2 shall supply to the Customer the Services requested in that new service order on the terms and conditions of this Agreement and any alternative terms appearing on or referred to in any other communication, (whether oral, in writing or by electronic means) by the Customer for the purpose of placing orders shall be ineffective.

New services on bespoke terms

7.2 The Customer may request a new service at any time on terms other than those set out on the O2 Price List. In the event that O2 and the Customer agree the terms that would apply to such new services, those terms will be added to this Agreement by execution of a formal variation.

8 OTHER CUSTOMER OBLIGATIONS

8.1 The Customer shall and shall procure that Users (or anyone having access to the Services), shall:

(a) comply with any reasonable instructions (including health and safety, security, use of Network and fair usage policies) from O2 relating to the use of the Services, Hardware and/or O2 Equipment;

(b) not use the Services, Hardware and/or O2 Equipment in a manner which damages the reputation of O2 or O2's suppliers, is inconsistent with a reasonable customer's good faith use of the Services, Hardware and/or O2 Equipment (including spamming and the sending of unsolicited advertising or promotional material), and/or adversely affects the provision of the Services, Hardware and/or O2 Equipment to other customers;

(c) not use the Services, Hardware and/or O2 Equipment fraudulently or in connection with a criminal offence;

(d) not use the Services Hardware and/or O2 Equipment in a way that contravenes any Third Party's rights or licence, code of practice, instructions or guidelines issued by a relevant regulatory authority;

(e) hold and will continue to hold any licences, consents and/or notifications required under any applicable legislation, regulation and/or administrative order to receive and use the Services, Hardware and/or O2 Equipment;

(f) notify O2 of any methods of doing business which may affect the Customer's use of the Services, Hardware and/or O2 Equipment or the Customer's ability to comply with the terms of this Agreement; and

(g) comply with all applicable laws and regulatory provisions.

8.2 Subject to clause 10 of these General Conditions, the Customer agrees that it is procuring the Services solely for its own use and that it will not re-sell or otherwise act as any form of distributor in respect of the Services.

8.3 The Customer shall provide O2 with any and all information and/or assistance that O2 may require in order to perform the Services. The Customer shall ensure the information is complete and accurate. O2 shall not be responsible for any failure and/or delay to provide the Services if such failure and/or delay is a result of the Customer's failure to provide O2 with the required information and/or assistance. The Customer shall reimburse O2 for any administrative charges that it incurs as a result of information that it receives in accordance with this clause 8.3 that is incomplete or inaccurate.

8.4 The Customer shall notify O2 immediately (and confirm in writing) on becoming aware that any person is making improper or illegal use of the Services.

8.5 The Customer agrees and acknowledges that O2 and/or a supplier of O2 may monitor and record calls or other communications including in relation to O2's customer services.

8.6 The Customer acknowledges that some of the Services enable access to the Internet and that use of the Internet is solely at the Customer's risk and subject to all applicable laws. O2 has no responsibility for any information, software, services, goods or other materials obtained by the Customer using the Internet.

8.7 The Customer warrants to O2 that it will take all reasonable steps (including testing with up-to-date commercially available virus detection software) to ensure that any software used with or in connection with the Services that is not provided by O2 under this Agreement is not infected by viruses and/or logic bombs, worms, Trojan horses and any other types of disruptive, destructive or nuisance programs.

9 ANTI-BRIBERY AND CORRUPTION

9.1 In addition to and without prejudice to clause 8.1(g) of these General Conditions, O2 and the Customer each agree and undertake to the other that in connection with this Agreement and the transactions contemplated by this Agreement, they will each respectively comply with all applicable laws, rules, regulations of the United Kingdom relating to anti-bribery and anti-money laundering.

9.2 In the event that O2 or the Customer (as applicable) (the "Enquirer") has any basis for a good faith belief that the other party may not be in compliance with the undertakings and/or requirements set out in clause 9.1 of these General Conditions, the Enquirer shall advise the other party in writing and the other party shall co-operate fully with any and all enquiries undertaken by or on behalf of the Enquirer in connection therewith, including by making available the other party's relevant personnel and supporting documents if reasonably deemed necessary by the Enquirer.

9.3 Any breach by a party of this clause 9 of these General Conditions shall be deemed to be a material breach of this Agreement not capable of remedy for the purposes of clause 13.6(a) of these General Conditions.

10 CUSTOMER AFFILIATES

10.1 O2 acknowledges that the Customer may permit a Customer Affiliate to use the Services, Hardware and O2 Equipment supplied by O2 to the Customer under this Agreement. The Customer will procure that its Affiliates and all Users are aware of and comply with the terms of this Agreement. The Customer shall be liable to O2 for any and all:

(a) claims, losses and expenses suffered or incurred by O2 as a result of a breach of a term of this Agreement resulting from a User's use of the Services, Hardware and/or O2 Equipment; and

(b) losses, costs and expenses resulting from any claims against O2 made by any of the Customer's Affiliates or Users (or any other Third Party whom the Customer has permitted to use a Service, Hardware and/or O2 Equipment) to the extent that such claims exceed the financial caps and other limitations on liability as set out in this Agreement.

The foregoing liabilities shall remain in full force and effect notwithstanding any termination of this Agreement.

11 VARIATIONS TO THE AGREEMENT

11.1 O2 reserves the right from time to time to vary the Agreement explicitly stated in this Agreement, including as follows:

(a) Subject to clause 5.3(a) of these General Conditions, O2 shall be entitled to vary the Customer Service Charter and/or the O2 Price List (including the prices set out in the O2 Price List). Such variations shall be published at o2.co.uk at least 28 days before such changes come into effect or, where the variation arises due to changes imposed by Third Party manufacturers, Third Party suppliers or a regulatory body, as much notice as is reasonably practicable; and

(b) O2 shall be entitled to vary the provisions of this Agreement (including for the avoidance of doubt, the Charges). O2 will provide to the Customer 28 days notice in writing of any such variation or, where the variation arises due to changes imposed by Third Party manufacturers, Third Party suppliers or a regulatory body, as much notice as is reasonably practicable.

12 SUSPENSION

Planned Outages

12.1 O2 may, from time to time, upon reasonable notice where practicable, suspend the Services during any modification or maintenance of the Network and, unless specifically agreed with the Customer, shall have no liability in relation to such suspension.

Unplanned Outages

12.2 O2 may, from time to time and without notice or liability to the Customer, suspend the Services during any technical failure of the Network because of an emergency or upon instruction by emergency services or any government or appropriate authority or for the Customer's or Users' own security.

12.3 O2 shall use reasonable endeavours to restore the Services suspended in accordance with clause 12.1 of these General Conditions as soon as reasonably practicable.

12.4 The Customer shall remain liable for all Charges levied in accordance with this Agreement during any period of suspension arising from the circumstances described in clause 12.1 of these General Conditions.

Actions of the Customer

12.5 O2 may, without prejudice to its other rights hereunder, suspend or disconnect the Services without notice in any of the following circumstances:

(a) if the Customer fails to comply with the terms of this Agreement after being given written notice of its failure (including but not limited to failure to pay any Charges due hereunder); or

(b) if the Customer allows anything to be done which in O2's reasonable opinion may have the effect of jeopardising the operation of the Services or Network if applicable, or if the Services are being used in a manner prejudicial to the interests of O2 and/or a supplier of O2.

12.6 If O2 has suspended the Services in accordance with clause 12.5 of these General Conditions, O2 shall restore the Services when the circumstance described in clause 12.5 of these General Conditions is remedied.

12.7 The Customer shall remain liable for:

(a) all Charges levied in accordance with this Agreement during any period of suspension; and

(b) all reasonable costs and expenses incurred by O2 in the implementation of such suspension or disconnection,

where such suspension or disconnection arises from the circumstances described in clause 12.5 of these General Conditions.

Actions of O2 suppliers

12.8 O2 may, without prejudice to its other rights hereunder, suspend or terminate a Service if an O2 supplier suspends, terminates or lets expire the provision of services to O2 which O2 requires to provide such Service and for which O2 is unable to find a replacement supplier, having used its reasonable endeavours. O2 will provide as much notice as is reasonably possible.

Actions by regulators

12.9 O2 may, where requested by or on behalf of a regulatory body (including because of fraud or misuse) or required to do so by law, suspend any Services provided under this Agreement.

13 TERMINATION

Termination for convenience

13.1 The Customer may terminate this Agreement (in whole or in relation to a particular Service) by:

(a) providing to O2 30 Working Days notice in writing; and

(b) paying O2 the applicable Termination Fees in respect of the Service or Services being terminated.

For the avoidance of doubt, Termination Fees may be payable in accordance with the Service Schedule or Commercial Schedule if the Customer terminates an order for Services prior to the Service Commencement Date, prior to the expiry of any applicable Minimum Period, during the Minimum Term, and/or before any applicable Minimum Holding or Minimum Spend has been achieved.

13.2 Unless specified otherwise in a Service Schedule or the Commercial Schedule and without prejudice to any other O2's rights to terminate this Agreement, O2 may terminate this Agreement (in whole or in relation to a particular Service) by providing to the Customer 30 days' notice and, in this event, the Customer shall not be liable for any Termination Fees.

Termination resulting from changes to the Agreement

13.3 Subject to clause 13.4 of these General Conditions, the Customer shall be entitled to terminate any individual Service by providing 30 days' notice in writing if:

(a) O2 increases the prices set out in the O2 Price List and/or the Charges in respect of that specific Service pursuant to clause 11 of these General Conditions and that increase is to the material disadvantage of the Customer; or

(b) O2 substantially varies the terms of this Agreement that relate to that specific Service pursuant to clause 11 of these General Conditions and that variation is to the Customer's material disadvantage, provided that such notice is provided to O2 within 30 days of the date that the change is notified to the Customer.

For the avoidance of doubt, any price or Charges increases that would not have increased the Customer's immediately previous monthly total bill for that specific Service (if the increase(s) had applied for the whole of that month) by more than the greater of: (i) the Retail Price Index (RPI); or (ii) the Consumer Price Index (CPI) annual inflation rate at the date O2 notifies the Customer of the applicable price increase; or (iii) 10%, shall not constitute a material disadvantage to the Customer under this clause 13.3.

13.4 The right to terminate a Service in clause 13.3 above shall not apply where the increases in prices or Charges or the variation of the terms of the Agreement have been agreed by the Customer (including an RPI Change) and/or arise as a consequence of a change in prices, terms or otherwise made by Third Party manufacturers, Third Party suppliers or a regulatory body.

13.5 Termination of a Service in accordance with clause 13.3 of these General Conditions will not affect the Customer's requirement to pay the Charges relating to that Service incurred prior to the date of termination, but, in this event, the Customer shall not be liable for any Termination Fees.

Termination for cause

13.6 The Customer may terminate this Agreement by providing to O2 30 days' notice in writing in the event that O2:

(a) has committed a material breach of this Agreement that is incapable of remedy; or

(b) has committed a material breach of this Agreement that is capable of remedy and O2 has failed to remedy that breach within 30 days of the Customer supplying written notice specifying the breach and requiring its remedy.

13.7 O2 may terminate this Agreement (in whole or in relation to a particular Service) by providing 30 days' notice in writing:

(a) in the event that the Customer has committed a material breach of this Agreement that is incapable of remedy;

(b) in the event that the Customer has committed a material breach of this Agreement that is capable of remedy and the Customer has failed to remedy that breach within 30 days of O2 supplying written notice specifying the breach and requiring its remedy; or

(c) if any of the events described in clauses 8.1(c), 8.1(d), 8.1(g) and/or 12.5(b) of these General Conditions occurs.

Insolvency

13.8 A party to this Agreement may terminate this Agreement by providing 30 days' notice in writing in the event that bankruptcy or insolvency proceedings are brought against the other party, or if an arrangement with creditors is made, or a receiver or administrator is appointed over any of the other party's assets, or the other party goes into liquidation.

Consequences of termination

13.9 If this Agreement is terminated and the Customer wishes to transfer to another service provider, O2 will provide reasonable assistance to the Customer in respect of the transfer of the Customer's service in accordance with standard telecommunications industry practice.

13.10 Termination or expiry of this Agreement for whatever reason shall not affect:

(a) the rights and obligations of the parties which have accrued prior to such termination or expiry; or

(b) any provisions of this Agreement which are of a continuing nature and any other provisions of this Agreement necessary for their interpretation or enforcement.

13.11 On termination or expiry of this Agreement (in whole or in relation to a particular Service):

(a) any sums properly due from one party to the other will become immediately due and payable (including Charges for the Service(s) up to the date of termination, Termination Fees relating to the Service(s) and/or Charges for any costs incurred by O2 in relation to Hardware or Services ordered by the Customer but yet to be supplied by O2);

(b) the Customer shall cease using the Service(s); and

(c) each party will, on request, promptly return to the other all Confidential Information and other property belonging to the other relating to the Service(s) which is in its custody or control or will destroy such Confidential Information and certify such destruction to the other party.

14 O2 EQUIPMENT

14.1 Title in the O2 Equipment does not pass to the Customer and remains at all times with O2 or O2's suppliers. Title in accessory items to O2 Equipment may pass to the Customer as explicitly stated in this Agreement.

14.2 The Customer will:

(a) only use O2 Equipment for the purposes of receiving or using the Services in accordance with this Agreement;

(b) comply with any instructions provided by O2 or an O2 Representative from time to time in respect of the O2 Equipment (including in relation to the return of any O2 Equipment);

(c) be responsible for the O2 Equipment when it is on Site and will not move, add to, modify or in any way interfere with the O2 Equipment (including to not remove, tamper with and/or obliterate any words or labels on it), nor allow anyone else (other than someone authorised by O2) to do so;

(d) not have the O2 Equipment repaired or serviced except as authorised by O2 to;

(e) keep the O2 Equipment fully insured for risk of loss, theft, destruction, damage and to inform O2 if the O2 Equipment is lost, stolen or damaged;

(f) not create or allow any charges, liens, pledges or other encumbrances to be created over the O2 Equipment;

(g) permit O2, O2 Representatives and/or O2's suppliers to inspect or test the O2 Equipment at all times on reasonable notice and, following the termination of the Service(s), to recover it; and

(h) if requested by O2, return, or arrange for the return of, O2 Equipment to O2 or O2 Representatives strictly in line with O2's instructions.

14.3 Certain elements of Services are dependent on the Customer using the O2 Equipment. If the Customer does not use the correct O2 Equipment, then:

(a) the Services may not function correctly;

(b) O2 may choose not to provide the Customer with the relevant Services; and

(c) O2 shall have no liability for the Customer's inability to receive those Services and the Customer remains liable for the relevant Charges.

15 INTELLECTUAL PROPERTY

15.1 Title to, and all intellectual property rights in the Software, O2 Equipment associated documents and all parts thereof will be and remain vested in and be the absolute property of the owner of the copyright in the Software, O2 Equipment or associated documents as appropriate, which owner shall be entitled to enforce any of the terms of this Agreement relating to the Customer's use of that Software, associated documents and all parts thereof, directly against the Customer.

15.2 Unless otherwise specified in this Agreement, all intellectual property developed in the provision of any Service will vest in O2 or its licensors. O2 may use know-how acquired, principles learned or developed or experience gained during the performance of any Service, to perform work for other Customers.

15.3 All information or materials exchanged between O2 and the Customer in connection with the Agreement, together with the copyright therein, will remain the property of O2, O2's suppliers or the Customer as applicable and will be returned to the owning party on termination of the Agreement, if requested by such party.

15.4 O2 grants to the Customer a non-exclusive, non-transferable licence to use, in object code form, any Software, the Hardware and the O2 Equipment provided by O2 or its suppliers solely in the United Kingdom in connection with the proper use of the Services. The Customer undertakes not to copy, alter, adapt, translate, software develop, decompile, license, sub-license, reverse engineer or resell any Software (or any part of the Software), unless expressly permitted to do so by O2 or by relevant law. This licence will terminate on the termination of this Agreement (or any relevant part of this Agreement).

15.5 O2 grants to the Customer a non-exclusive, non-transferable royalty free licence for the term of this Agreement (in whole or in relation to a particular Service(s)) to use copy and reproduce any information or materials provided by O2 to the Customer under this Agreement to the extent necessary for the Customer to receive the benefit of the Service(s). The Customer must not copy, reproduce, distribute, alter, adapt, translate, develop, decompile, license, sub-license, reverse engineer or resell any such information or materials (or any part thereof), unless expressly permitted to do so by O2 or relevant law.

15.6 In the event that the Customer is subject to a claim by a Third Party in respect of any alleged infringement of any trademark, patent, registered design or copyright arising from its normal use or possession of the O2 Equipment, Hardware, Software, information or materials provided by O2 then O2 will indemnify the Customer in relation to sums awarded or paid in settlement for such claim provided that the Customer promptly notifies O2 of such claim, makes no admission in respect of such claim, the Customer seeks to mitigate the loss where it can do so without unreasonable inconvenience or cost, allows O2 or its licensor to conduct all negotiations and proceedings (providing O2 or its licensor with all reasonable assistance) and allows O2 at O2's own discretion and expense to modify or replace the O2 Equipment, Hardware, Software, information or materials so as to avoid any continuing infringement. This indemnity does not apply to any such infringements caused by the Customer's own breach of the terms of this Agreement or the operation or use of the O2 Equipment, Hardware, Software, information or materials in conjunction with other equipment and software or Services not supplied by O2 pursuant to this Agreement in which event the Customer shall indemnify O2 in respect of any claims, proceedings and expenses arising from any such infringement by the Customer.

15.7 The Customer will not be entitled to and agrees not to:

(a) use in the course of trade or otherwise in relation to any goods or services of the Customer any registered or unregistered trademark, logo type or abbreviation of the name of O2 (or any of its suppliers) or any part thereof so that any person might reasonably import a connection between those goods or services and O2 (or any of its suppliers) or any part thereof;

(b) register or attempt to register as a trade mark anything referred to in clause 15.7(a) of these General Conditions; and/or

(c) authorise any Third Party to do anything referred to in clause 15.7(a) of these General Conditions.

The Customer further agrees not to infringe any copyright, or registered or unregistered trademark rights belonging to any Third Party in respect of any Hardware or O2 Equipment.

End User Licensed Software

15.8 The Customer recognises that the Services may be dependent upon End-User Licensed Software (e.g. click-through licences) and if the Customer does not accept the licence terms relating to any End-User Licensed Software, O2 shall have no liability whatsoever for any failure to provide the Services to the Customer where the Services depend on the use of End-User Licensed Software.

15.9 Where the Customer accepts the terms of a licence in respect of any End-User Licensed Software, then those licence terms shall take precedence over any terms within this Agreement relating to End-User Licensed Software and shall exclusively comprise the Customer's sole rights and remedies in respect of such End-User Licensed Software.

15.10 The Customer shall accept and comply with all licence terms required from time to time by any Third Party provider of any Software or materials as agreed between the relevant Third Party and O2.

16 CONFIDENTIALITY

16.1 Neither party will divulge Confidential Information to any Third Party except such of its contractors, suppliers and agents as may need to know the same for the purposes of the implementation and/or performance of this Agreement and in each case who agree to be bound by the provisions of this clause 16.1.

16.2 The obligation of confidence set out in clause 16.1 of these General Conditions shall not apply to any material or information which is:

(a) in the public domain (other than as a result of a breach of this Agreement);

(b) already known to the receiving party prior to the Commencement Date;

(c) lawfully received from a Third Party; or

(d) required to be disclosed pursuant to the order of a court or other tribunal or regulatory authority of competent jurisdiction.

16.3 The obligation of confidence set out in this clause 16 shall apply in the period commencing on the Commencement Date and ending three years after the termination or expiry of this Agreement.

17 LIMITATION OF LIABILITY

17.1 This clause 17 of these General Conditions sets out each party's entire liability (including any liability for the acts and omissions of each party's employees, agents or sub-contractors) to the other party in tort, contract or otherwise, arising out of or in connection with the performance or contemplated performance or non performance of this Agreement.

17.2 Subject to clauses 17.4 and 17.5 of these General Conditions, neither party shall be liable to the other in respect of any matter arising out of or in connection with this Agreement in contract or tort (including negligence) or otherwise for any loss (whether direct or indirect) of profit, business, revenue, anticipated savings, goodwill, business interruption, from wasted expenditure or any loss or corruption of data, or for any indirect or consequential loss or damage whatsoever.

17.3 Subject to clauses 17.1, 17.4 and 17.5 of these General Conditions, O2's aggregate liability of any sort resulting from breach of contract or negligence, under any indemnity or otherwise arising in connection with this Agreement (whether to the Customer, any Customer Affiliate, Users or otherwise) shall be limited in respect of all claims arising in a Year ("Relevant Year") to the greater of:

(a) the sum of £50,000; or

(b) an amount equal to the Annual Agreement Value,

where the "Annual Agreement Value" means the total Charges paid or payable by the Customer in the Year prior to the Relevant Year (or where a claim arises during the first Year of this Agreement, the Charges paid or payable up to the date on which the Customer's right to take action in respect of the claim arose and subject always to O2's aggregate liability for claims in the first Year being no greater than the total Charges paid or payable by the Customer in the first Year); and "Year" means the first, and each subsequent, consecutive period of 12 months of this Agreement commencing on the Commencement Date.

17.4 Nothing in this Agreement shall exclude or restrict the liability of either party for:

(a) death or personal injury resulting from that party's negligence;

(b) claims in respect of the Customer's liability under clause 10 of these General Conditions;

(c) any and all damage to any O2 Equipment, any other equipment belonging to O2 or the Network caused by the Customer's breach of this Agreement;

(d) breach of any implied term as to title or quiet enjoyment arising out of section 12 of the Sale of Goods Act 1979; or

(e) fraud or fraudulent misrepresentation.

17.5 Nothing in this Agreement shall exclude or restrict the liability of either party in respect of any liability which cannot be excluded or restricted by law.

17.6 Nothing in this clause 17 shall apply to the payment of the Charges.

17.7 Subject to clauses 17.4 and 17.5 of these General Conditions, the express terms of this Agreement are in lieu of all warranties, conditions, terms, undertakings and obligations implied by statute, common law, custom, trade usage, course of dealing or otherwise, all of which are hereby excluded to the fullest extent permitted by law.

17.8 The limited warranty, exclusive remedies and limited liability set forth above are fundamental elements of the basis of the Agreement between O2 and the Customer. O2 would not be able to provide the Services and/or the Hardware on an economic basis without such limitations.

Liability for third parties

17.9 O2 shall not be liable for the acts or omissions of other providers of telecommunication services unless such other providers have been specifically engaged by O2 as subcontractors or assignees in respect of the performance of O2's obligations under this Agreement.

18 ASSIGNMENT

18.1 The Customer shall not assign or transfer this Agreement to any Third Party, provided that the Customer may assign or transfer this agreement to a Customer Affiliate with the prior written consent of O2 (such consent not to be unreasonably withheld or delayed).

18.2 O2 may assign or transfer this Agreement to any Affiliate and may subcontract the performance of all or part of the same, provided that O2 shall remain liable for the acts and omissions of its subcontractors.

19 ENTIRE AGREEMENT

19.1 This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, proposals, understandings and agreements whether written or oral relating to the subject matter of this Agreement.

19.2 Each of the parties acknowledges and agrees that in entering into this Agreement, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement. Nothing in this clause 19.2 shall, however, operate to limit or exclude any liability for fraudulent misrepresentation.

20 INVALIDITY

If any of the provisions of this Agreement become invalid, illegal or unenforceable, the validity or enforceability of the remaining provisions shall not in any way be affected or impaired. In such circumstances, the parties shall negotiate in good faith in order to agree the terms of a mutual satisfactory provision, achieving as nearly as possible the same commercial effect, to be substituted for the provision which is found to be invalid, illegal or unenforceable.

21 WAIVER

The failure or delay by either party to this Agreement to exercise or enforce any right, power or remedy under this Agreement shall not be deemed to operate as a waiver of any such right, power or remedy, nor shall any single or partial exercise by any party operate so as to bar the exercise or enforcement thereof of any right, power or remedy on any later occasion.

22 DATA PROTECTION

22.1 O2 operates in accordance with the Data Protection Act 1998 ("DPA") as updated or amended from time to time. The Customer agrees that its details, or those of its Users may be used and disclosed by O2 for the purposes of this Agreement and for marketing purposes including informing the Customer and its Users from time to time about other Services or associated technologies. If the Customer or a User does not want its details, or, in the case of the Customer those details of its Users to be used for direct marketing purposes in this way then the Customer should contact the O2 Data Controller at O2 UK Limited, 260 Bath Road, Slough, SL1 4DX.

22.2 The Customer will ensure that its Users have consented to the use of their details in accordance with clause 22.1 of these General Conditions. Customer details and that of its Users shall be treated in accordance with O2's Privacy Policy at o2.co.uk/termsandconditions/privacy-policy.

22.3 To the extent that O2 is required as part of the Services to process Personal Data as a Data Processor only (each as defined in the DPA), O2 shall:

(a) process the Personal Data only on behalf of the Customer (or, if so directed by the Customer, Customer Affiliates), for the purposes of performing this Agreement and in accordance with instructions contained in this Agreement or the reasonably practicable instructions received from the Customer from time to time;

(b) at all times comply with the provisions of the Seventh Data Protection Principle set out in schedule 1 of the DPA and shall take reasonable steps to:

(i) implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure;

(ii) take reasonable steps to ensure the reliability of personnel, suppliers and subcontractors who may process Personal Data.

22.4 O2 may transfer Personal Data in connection with the provision of the Services, including to any subcontractor, and such transfer may be outside the European Economic Area. In such circumstances O2 will:

(a) take reasonable steps to ensure the reliability of such subcontractors and prior to any such transfer will enter into a written agreement with such subcontractor containing contractual provisions which ensure an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of the Personal Data; and

(b) comply with the Eighth Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred.

22.5 The Customer acknowledges that when acting as a Data Processor, O2 is reliant on the Customer for direction as to the extent O2 is entitled to use and process the Personal Data in connection with the Services. Consequently, O2 shall be entitled to relief from liability in circumstances where a data subject makes a claim or complaint with regards to O2's actions to the extent that such actions result from instructions received from the Customer.

23 MATTERS BEYOND THE PARTIES' REASONABLE CONTROL

23.1 Neither party shall be deemed in default or liable to the other party for any matter whatsoever for any delays in performance or from failure to perform or comply with the terms of this Agreement due to any cause beyond that party's reasonable control including, without limitation, acts of God, acts of government or other competent regulatory authority, telecommunications network operators, war or national emergency, riots, civil commotion, fire, explosion, flood, lightning, extremely severe weather, epidemic, lock-outs, strikes and other industrial disputes (in each case, whether or not relating to that party's workforce).

23.2 The Customer agrees that O2 shall have no liability for improper, incorrect or unauthorised use of the Services or Hardware by the Customer or any Third Party.

24 EXPORT CONTROL

24.1 In the event that the Customer proposes to export any Hardware or other equipment supplied by O2 pursuant to this Agreement, the Customer agrees to comply with any applicable export or re-export laws, regulations, prohibitions or embargoes of any country, including obtaining written authority from any relevant licensing authority where necessary.

24.2 In the event that the Customer procures Hardware, the Customer agrees that in entering into this Agreement the Customer accepts the terms of the following end-user undertaking. The Customer certifies that it is or will be the end-user of the Hardware and further certifies that it shall use the Hardware only for the purposes of allowing its employees to send, receive, store and process data and voice mobile services in order to perform their every day contractual duties; that the Hardware will not be used for any purpose connected with explosives, chemical, biological or nuclear weapons, or missiles capable of delivering such weapons; that the Hardware will not be re-exported or otherwise re-sold or transferred if it is known or suspected that they are intended or likely to be used for such purposes; and that the Hardware, or any replica of it, will not be used in any nuclear explosive activity or un-safeguarded nuclear fuel cycle activity.

25 RELATIONSHIP OF THE PARTIES

Nothing in this Agreement shall create, or be deemed to create, a partnership or joint venture between the parties and nothing in this Agreement shall be construed to appoint one party as the distributor, dealer or agent of the other.

26 NOTICES

Any notice or other communication required or permitted under this Agreement to be given in writing shall be given in writing to the address of the recipient stipulated therein or as notified from time to time and will be deemed to have been given or made: when delivered personally; or, if properly addressed and posted by first class mail in the United Kingdom within two Working Days of posting; or, if sent by facsimile upon being sent; or, if sent by e-mail or other electronic means upon such communication being acknowledged as having been received.

27 NO THIRD PARTY RIGHTS

Except as otherwise explicitly set out in this Agreement, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. For the avoidance of doubt, Customer Affiliates shall have no rights to enforce any term of this Agreement.

28 PRIORITY OF DOCUMENTS FORMING THIS AGREEMENT

28.1 This Agreement is recorded in the following documents:

(a) these General Conditions;

(b) the Commercial Schedule;

(c) the applicable Terms;

(d) the applicable Service Schedule(s) or quotation;

(e) any other document incorporated by reference in Terms or Service Schedules; and

(f) the O2 Price List.

28.2 In the event of any conflict between provisions of the documents making up this Agreement, the order of precedence shall be as set out in clause 28.1 of these General Conditions (in order of decreasing precedence) unless explicitly stated otherwise.

29 TUPE

29.1 The Customer warrants that it has taken all reasonable steps to verify and, following such investigation, has no grounds to believe that any Customer Employee's employment shall transfer from the Customer or any Third Party to a Services Provider pursuant to the TUPE Regulations at the commencement of this Agreement, however and whenever such transfer takes effect.

29.2 If, notwithstanding the warranties given by the Customer and/or the intention of the parties stated in clause 29.1 and 29.2 of these General Conditions, either at the commencement of this Agreement or during the term of this Agreement, any Customer Employee claims or it is determined that his contract of employment has been transferred from the Customer or any Third Party to a Services Provider pursuant to the TUPE Regulations or otherwise or any Customer Employee claims or it is determined that any liability regarding his employment has so transferred then:

- (a) the Services Provider may terminate any such contract forthwith; and
- (b) the Customer shall indemnify and hold harmless the Services Provider against any costs, claims, liabilities and expenses of any nature (including legal costs on an indemnity basis) arising out of such termination and against sums payable to or on behalf of such employee in respect of his employment whether arising before or after the transfer of his employment (or alleged transfer of employment) to the Services Provider (including for the avoidance of doubt any liability arising from a failure to comply with any information or consultation requirements under the TUPE Regulations).

29.3 O2 warrants that no Services Provider shall bring any claim under the TUPE Regulations arising out of or in connection with any actual or alleged failure of the Customer or any Third Party to provide Employee Liability Information in accordance with the TUPE Regulations.

29.4 O2 will indemnify and keep indemnified the Customer against any costs, claims, liabilities and expenses of any nature (including legal costs on an indemnity basis) which the Customer or its incumbent supplier may suffer or incur arising out of any breach of clause 29.3 of these General Conditions.

29.5 The parties intend that no O2 Employee's employment shall transfer from a Services Provider to the Successor Supplier pursuant to the TUPE Regulations as a result of the commencement of the provision of the Replacement Services by a Successor Supplier, however and whenever such commencement takes effect.

29.6 If, notwithstanding the intention of the parties stated in clause 29.5 of these General Conditions, as a result of the commencement of the provision of the Replacement Services by the Successor Supplier, any O2 Employee claims or it is determined that his contract of employment has been transferred from a Services Provider to the Successor Supplier pursuant to the TUPE Regulations or otherwise or any O2 Employee claims or it is determined that any liability regarding his employment has so transferred then:

- (a) the Successor Supplier may terminate any such contract forthwith; and
- (b) O2 shall indemnify and hold harmless the Customer against any costs, claims, liabilities and expenses of any nature (including legal costs on an indemnity basis) incurred or suffered by the Successor Supplier arising out of such termination and against sums payable to or on behalf of such employee in respect of his employment whether arising before or after the transfer of his employment (or alleged transfer of employment) to the Successor Supplier (including for the avoidance of doubt any liability arising from a failure to comply with any information or consultation requirements under the TUPE Regulations).

29.7 The Customer warrants that no Successor Supplier shall bring any claim under the TUPE Regulations arising out of or in connection with any actual or alleged failure of the Services Provider to provide Employee Liability Information in accordance with the TUPE Regulations.

29.8 The Customer will indemnify and keep indemnified O2 against any costs, claims, liabilities and expenses of any nature (including legal costs on an indemnity basis) which the Services Provider may suffer or incur arising out of any breach of clause 29.7 of these General Conditions.

29.9 The parties agree that the Contracts (Rights of Third Parties) Act 1999 shall apply to this clause 29 to the extent necessary to ensure that:

- (a) any Services Provider shall have the right to enforce the obligations owed to, and indemnities given to, O2 by the Customer under this clause 29; and
- (b) any Successor Supplier shall have the right to enforce the obligations owed to, and indemnities given to, the Customer by O2 under this clause 29,

in its own right pursuant to section 1(1) of the Contracts (Rights of Third Parties) Act 1999.

30 CREDIT CHECKS AND FRAUD PREVENTION

30.1 O2's acceptance of Customer's application for Services, may be subject to O2 checking the following records about the Customer and the Customer's business partners:

- (a) O2's own records;
 - (b) business records at credit reference agencies ("CRAs") including both public (including the electoral register) and fraud prevention information. When CRAs receive a search from O2 they will place a search footprint on the Customer's business credit file that may be seen by other lenders;
 - (c) records held by fraud prevention agencies ("FPAs"); and
 - (d) if the Customer contact is a director, O2 may seek confirmation, from CRAs that the residential address that is provided is the same as that shown on the restricted register of directors' usual addresses at Companies House.
- 30.2** O2 may also make checks such as assessing the Customer's application for Services and verifying identities to prevent and detect crime and money laundering. O2 may also make periodic searches at CRAs and FPAs to manage the Customer's O2 account.
- 30.3** O2 will send information on the Customer's applications, O2 account and how the Customer manages its account to CRAs which may record such information, including information on the Customer's business and its proprietors. The CRAs may create a record of the name and address of the Customer and its proprietors if there is not one already.

30.4 If the Customer does not pay the Charges when they become due and payable, CRAs will record the outstanding debt which shall remain on file for six years after they are closed (whether by settlement or default). Such records may be supplied to other organisations by CRAs and FPAs to perform similar checks and to trace the Customer's whereabouts and recover debts owed by the Customer.

30.5 If the Customer gives O2 false or inaccurate information and O2 suspect or identify fraud O2 will record this and may also pass this information to FPAs and other organisations involved in crime and fraud prevention.

30.6 O2 and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

30.7 Customer data may also be used for other purposes for which the Customer or any User gives its specific permission or, in very limited circumstances, when required by law or where permitted under the terms of the Data Protection Act 1998. To read the full details of how data may be used please visit our website at o2.co.uk.

30.8 The Customer can contact the CRAs currently operating in the UK, including CallCredit (Consumer Services Team, PO Box 491, Leeds, LS3 1WZ or call 0870 0601414); Equifax PLC, (Credit File Advice Centre, PO Box 3001, Bradford, BD1 5US; 0870 010 0583; www.myequifax.co.uk); and Experian (Consumer Help Service, PO Box 8000, Nottingham NG80 7WF; 0844 4818000; www.experian.co.uk). The information they hold may not be the same. They will charge a small statutory fee for access to their Records. Details of the relevant fraud prevention agencies are available from O2 on request.

31 GOVERNING LAW

This Agreement, and any issues or disputes of whatever nature arising out of or in any way relating to it or its formation (whether such disputes are contractual or non-contractual in nature, such as claims in tort, for breach of statute or regulation, or otherwise) shall be governed by and construed in accordance with the laws of England and Wales. The Parties submit to the exclusive jurisdiction of the courts of England and Wales.

MOBILE EQUIPMENT TERMS

The following additional terms and conditions apply to the provision by O2 of Mobile Equipment.

1 DEFINITIONS

In these Mobile Equipment Terms, in addition to those terms set out in the General Conditions, the following terms and expressions apply:

"Accessory" means an item of equipment sold separately for use with Mobile Equipment but which is not on its own Mobile Equipment and which cannot be used without Mobile Equipment in connection with Mobile Services;

"Mobile Equipment" means any phones and related items (including, but not limited to USB modems and phone chargers packaged along with a phone) or other equipment provided by O2 to the Customer under this Agreement for use in connection with the Mobile Services and which, for the avoidance of doubt, is included in the definition of O2 Equipment in this Agreement;

"Mobile Equipment Account" means a notional account set up by O2 to accrue credits owing to the Customer (calculated as described in the Commercial Schedule) from which additional Mobile Equipment can be taken from O2 by the Customer; and

"Mobile Equipment Terms" means this document entitled "Mobile Equipment Terms".

2 USE OF MOBILE EQUIPMENT

The following additional terms and conditions shall apply to the provision by O2 to the Customer of Mobile Equipment specified in the Commercial Schedule as well as any Mobile Equipment ordered pursuant to an order placed pursuant to this Agreement.

3 ORDERS

3.1 The Customer shall be entitled to place with O2 an order for any Mobile Equipment identified by O2 from time to time.

3.2 O2's acceptance of an order is subject to availability and O2 may reject any order without any liability to the Customer. In the event that O2 accepts an order, that order will be processed accordingly. Any order, once accepted by O2, may not be revoked by the Customer.

3.3 O2 reserves the right to add to, substitute, or to discontinue any item of Mobile Equipment at any time. O2 does not guarantee the continuing availability of any particular item of Mobile Equipment.

4 DELIVERY, ACCEPTANCE AND RISK

4.1 O2 will deliver the Mobile Equipment to the address specified on the completed order provided that address is within the United Kingdom.

4.2 The Customer shall be deemed to have accepted an item of Mobile Equipment:

- a) when that item of Mobile Equipment has been delivered, if O2 is to deliver the item of Mobile Equipment; or
- b) when the Customer takes possession of that item of Mobile Equipment, if the item of Mobile Equipment is to be collected by the Customer.

4.3 Risk in an item of Mobile Equipment will pass to the Customer when the item of Mobile Equipment is accepted by the Customer. The Customer shall not be liable for any loss or damage to the item of Mobile Equipment to the extent that such loss or damage is caused by the negligence of O2 or its suppliers.

5 TITLE IN THE MOBILE EQUIPMENT

5.1 For the avoidance of doubt, clause 14 of the General Conditions applies to Mobile Equipment supplied by O2 to the Customer pursuant to this Agreement, except in relation to Accessories in relation to which title shall pass to the Customer upon payment in full for such Accessories.

5.2 Following any upgrade or replacement of Mobile Equipment or disconnection of Mobile Equipment from the Mobile Services, O2 reserves the right to request the safe return of any such Mobile Equipment in which O2 retains title from the Customer at the Customer's expense.

5.3 O2 reserves the right to charge the Customer the price set out in the Replacement section of the O2 Price List from time to time for any Mobile Equipment that is not returned to O2 in accordance with the provisions of clause 5.2 of these Mobile Equipment Terms or where the Customer fails to fulfil its obligations under clause 14 of the General Conditions.

5.4 Without prejudice to clause 5.3 of these Mobile Equipment Terms, in the event that the Customer sells any Mobile Equipment in breach of clause 14 of the General Conditions, the Customer agrees that liquidated damages equal to the price set out in the Replacement section of the O2 Price List for such Mobile Equipment on the date on which O2 invokes its right to recover liquidated damages, shall immediately be due and payable from the Customer to O2.

6 OBLIGATIONS OF THE CUSTOMER

6.1 The Customer will, and shall take all reasonable steps to ensure that its employees will pay the standard charges levied by O2 from time to time applicable to repair work on Mobile Equipment which is outside (in scope or time) the warranty provided under this Agreement.

6.2 O2 reserves the right to bar service to any Mobile Equipment supplied under this Agreement to which O2 retains title where in O2's reasonable opinion that Mobile Equipment is not being used in a manner which O2 would expect including but not limited to where the Mobile Equipment is:

- a) used in conjunction with a SIM Card connected to a tariff other than one which the Customer has ordered under this Agreement;
- b) used in conjunction with a SIM Card allocated to any other O2 customer's account;
- c) used solely or predominantly on a roaming basis; or
- d) (or the SIM Card supplied in conjunction with such Mobile Equipment is) not used on the Network within 45 days from the date of despatch by O2, or during any other period of 30 consecutive days; unless O2 and the Customer have agreed otherwise.

6.3 The Customer, at the Customer's expense, shall return to O2 any Mobile Equipment supplied by O2 to which O2 retains title pursuant to clause 14.1 of the General Conditions, which Mobile Equipment has been barred pursuant to clause 6.2 of these Mobile Equipment Terms and in the event that the Customer fails to return any such Mobile Equipment within two (2) weeks of written notice from O2 to do so, then the Customer agrees to pay O2 the price set out in the Replacement section of the O2 Price List from time to time for such Mobile Equipment.

6.4 The Customer shall ensure that their Mobile Equipment is up to date with the latest available version of the manufacturer's Software. Any failure by the Customer to ensure their Mobile Equipment Software is maintained on the latest version may result in performance issues which O2 shall not be liable for.

7 WARRANTIES

7.1 O2 warrants that each item of Mobile Equipment will conform in all material respects to the manufacturer's specification for a period of 12 months from the date on which such item of Mobile Equipment is despatched to the Customer by O2 (a "Warranty Period") unless special conditions associated with certain Mobile Equipment apply.

7.2 O2 warrants that any Software will conform in all material respects to the manufacturer's specification for a period of three months from the date on which such Software is despatched to the Customer by O2 (a "Warranty Period") unless special conditions associated with certain Software apply.

7.3 Following the expiry of the Warranty Period for Mobile Equipment provided under this Agreement in which O2 retains title, O2 will extend the Warranty Period in respect of such Mobile Equipment until the end of the Minimum Term ("Extended Warranty Period"). Upon expiry of the Minimum Term, or termination of this Agreement, the Extended Warranty Period shall cease.

7.4 If, within the relevant Warranty Period or Extended Warranty Period, the Customer notifies O2 of any defect or fault in the Mobile Equipment or Software arising under normal use in consequence of which it fails to conform in any material respect with the manufacturer's specification O2 shall, at O2's option either: repair the faulty Mobile Equipment or Software; or, replace the faulty Mobile Equipment or Software with the same or an equivalent item of Mobile Equipment or Software which may be a new or refurbished item. In the event that Mobile Equipment or Software is provided to replace Mobile Equipment or Software which has failed during its Warranty Period, the replacement Mobile Equipment or Software will be provided with its own Warranty Period which shall last for the greater of: a) three months from the date on which the replacement Mobile Equipment or Software is despatched to the Customer; or b) the outstanding period of the original Warranty Period.

7.5 The warranty obligations set out in clause 7.4 of these Mobile Equipment Terms shall not apply in the event that a person has amended or damaged the Mobile Equipment or Software, or used it for a purpose or in a context, other than in accordance with O2's or the manufacturer's instructions and advice.

7.6 If the Customer reports a defect or fault in the Mobile Equipment or Software to O2, and is provided with a replacement item pursuant to clause 7.4 above, O2 reserves the right to charge the Customer for the replacement item in the following circumstances:

- a) where the faulty or defective Mobile Equipment is not returned to O2 within 14 days of provision to the Customer of a replacement for the faulty Mobile Equipment or Software;
- b) where O2 considers that the defect or fault in the Mobile Equipment or Software is caused by use, amendment or damage described in clause 7.5, above; or
- c) where no fault or defect is detected in the Mobile Equipment or Software.

8 CREDITS

Any credits accrued in the Mobile Equipment Account may be used solely for the purposes of offsetting Charges for Mobile Equipment. Credits do not have any monetary value and the Customer is not entitled to:

- (a) use any credits accrued in the Mobile Equipment Account to offset Charges for Mobile Services or vice versa;
- (b) offset any credits accrued in the Mobile Equipment Account against any outstanding debt;
- (c) any payments from any credits accrued in the Mobile Equipment Account; or
- (d) any future use of credits accrued in the Mobile Equipment Account upon termination of this Agreement.

9 INSURANCE

9.1 If the Customer has purchased the O2 Insure Premier, Standard or any other applicable O2 Insure product and makes a claim under the policy for theft of the Mobile Equipment, which is approved by the insurer or an agent of the insurer, ("the Insurer") O2 will reimburse the Customer against the cost of unauthorised calls made on the Mobile Equipment up to the following limits:

- (a) Premier policy - up to £3,000 per item of Mobile Equipment;
- (b) Standard policy - up to £1,000 per item of Mobile Equipment;
- (c) other applicable O2 Insure policy - up to the amount O2 notifies the Customer in connection with that product. In each case these figures include any taxes and network or service provider charges.

9.2 In return:

- (a) the Customer agrees to provide the Insurer with an itemised account from its network or service provider clearly showing the unauthorised calls made and their value within 2 months of the Customer's discovery of the theft of the Mobile Equipment;
- (b) the Customer agrees to notify the Insurer of the theft of the Mobile Equipment as required by the terms of the Premier, Standard or any other applicable O2 Insure policy (as the case may be) in force at the time of the theft and the Customer agrees to notify O2 of the theft of the Mobile Equipment when it notifies the Insurer under the Premier, Standard or other applicable O2 Insure policy; and
- (c) the Customer agrees that the same exclusions set out in the Premier, Standard or any other applicable O2 Insure policy (as the case may be) in force at the time of the theft apply, and where they do O2 will not reimburse the Customer for the cost of the unauthorised calls.

MOBILE TERMS

(including terms for the Voice Services and/or Data Services)

The following additional terms and conditions apply to the provision of the Mobile Services.

1 DEFINITIONS

In these Mobile Terms, in addition to those terms set out in the General Conditions, the following terms and expressions apply:

"Airtime" means mobile airtime and Network capacity;

"Airtime Account" means a notional account set up by O2 to accrue credits owing to the Customer (calculated as described in the Commercial Schedule) from which Network capacity (e.g. calls) can be purchased from O2 by the Customer;

"AIT" means artificially inflated traffic which occurs when the flow of calls to any particular revenue share service is, as a result of any activity on or behalf of the entity operating that revenue share service, disproportionate to the flow of calls which would be expected from good faith usage of the Network;

"Device" means Hardware, O2 Equipment or other mobile device, capable of incorporating a SIM Card;

"Gateway" means any equipment containing a SIM Card which enables the routing of calls from fixed apparatus to mobile equipment by establishing a mobile to mobile call or data connection;

"Mobile Equipment" has the meaning set out in the Mobile Equipment Terms and which shall, for the avoidance of doubt, constitute "O2 Equipment";

"Mobile Data Services" means the Mobile Services under which O2 supplies the Customer with Airtime enabling the Customer to transfer data on the Network;

"Mobile Services" means those Services identified as a "Mobile Service" in these Mobile Terms and the Service Schedules;

"Mobile Terms" means this document entitled "Mobile Terms";

"New Connection" (including New SIM Only Connections and New Connections With Device) means a new SIM Card which connects to the Network under this Agreement which was not immediately prior to this Agreement connected to the Network except where the SIM Cards were formerly provided to the Customer by means of a Reseller;

"New Connection With Device" means a New Connection in conjunction with which O2 is providing a Device at the New Connection rate for Mobile Equipment specified in the Commercial Schedule(s) or the O2 Price List;

"New SIM Only Connection" means a New Connection in conjunction with which O2 is not providing a Device at the New Connection rate for Mobile Equipment specified in the Commercial Schedule(s) or the O2 Price List;

"Reseller" means any Third Party acting as an agent or distributor on behalf of O2;

"Re-Sign Connection" (including Re-Sign SIM Only Connections or Re-Sign Connections With Device) means the transfer of a SIM Card which was, immediately prior to this Agreement, connected under an agreement between O2 (directly, and not via a third party);

"Re-Sign Connection With Device" means the transfer of a SIM Card which was, immediately prior to this Agreement, connected under an agreement between O2 (directly, and not via a third party) and the Customer and in conjunction with which O2 is providing Mobile Equipment;

"Re-Sign SIM Only Connection" means the transfer of a SIM Card which was, immediately prior to this Agreement, connected under an agreement between O2 (directly, and not via a Third Party) and the Customer, and in conjunction with which O2 is not providing Mobile Equipment at the New Connection rate for Mobile Equipment specified in the Commercial Schedule(s) or the O2 Price List;

"SIM Card" means a subscriber identity module card supplied to the Customer by O2 and which, for the avoidance of doubt, is included in the definition of O2 Equipment in this Agreement;

"SMS" and / or **"MMS"** means the short message service and multimedia message service which allows text messages and/or pictures to be sent and received from mobile equipment;

"Value Added Mobile Services" means the value added services in relation to Mobile Services, such as installation, insurance, repair etc as may be made generally available from time to time by O2 to business customers, the details of which appear in the O2 Price List; and

"Voice Services" means the Mobile Services under which O2 supplies the Customer with Airtime enabling the Customer to make and receive mobile voice calls and SMS texts on the Network.

2 MOBILE SERVICE STANDARDS

The Customer acknowledges that provision of the Mobile Services is subject to the geographic extent of Network coverage and local geography, topography and/or atmospheric conditions and/or other physical or electromagnetic interference and/or the number of users trying to access the Mobile Services in any particular location that may, from time to time, adversely affect the provision of the Mobile Services in terms of availability, line clarity and call interference.

3 SIMS CARDS AND NUMBERS

3.1 Where the Customer is not already an O2 customer, O2 will supply to the Customer such number of SIM Cards as is necessary for the Customer to receive the Mobile Services to be provided under the relevant order.

3.2 O2 shall:

(a) provide to the Customer such mobile numbers as are necessary for the Customer to receive the Mobile Services; or

(b) port mobile numbers from another mobile network in accordance with standard porting procedures between mobile networks in the United Kingdom.

3.3 Nothing in this Agreement shall be construed as to grant the Customer any right in relation to the mobile numbers other than to receive the Mobile Services as described in this Agreement.

4 CHARGES

4.1 Unless otherwise stated in the Commercial Schedule(s) or the O2 Price List the following apply to UK domestic calls:

(a) call prices are quoted by the minute;

(b) the duration of each call shall be measured in whole seconds, any part second will be rounded up to the next whole second;

(c) each call shall be charged excluding VAT, based on the duration, the ex VAT cost of each call is then calculated and the result rounded up to the nearest penny. VAT is then added where applicable to the total of all charges on the Customer's invoice;

(d) peak rate call Charges apply from 07:00 to 19:00, Monday to Friday; weekend rate call Charges apply from midnight on Friday to midnight on Sunday and off peak rate call Charges apply at all times when peak rate or weekend rate call Charges do not apply; and

(e) all calls are subject to a minimum Charge.

Full details of international and roaming call Charges (including rounding policies) are available at o2.co.uk.

4.2 The Customer acknowledges that roaming calls may take longer to be billed than other types of calls.

4.3 O2 may monitor the Customer's usage of the Mobile Services for the purpose of controlling O2's credit risk and the Customer's exposure to fraudulent usage.

4.4 The Customer will be liable for any Charges incurred as a result of unauthorised use of the Mobile Services (including any SIM Card) until O2 has received a request from the Customer to suspend the provision of such Mobile Services.

4.5 Any credits accrued in the Airtime Account may be used solely for the purposes of offsetting Charges for Airtime, do not have any monetary value, and the Customer is not entitled to:

(a) use any credits accrued in the Airtime Account to offset Charges for Services other than Airtime or vice versa;

(b) offset any credits accrued in the Airtime Account against any outstanding debt;

(c) any payments from any credits accrued in the Airtime Account; or

(d) any future use of credits accrued in the Airtime Account upon termination of this Agreement.

4.6 Any credits to which the Customer is entitled will be applied to the Customer's nominated Airtime Account within 30 days of the end of the Minimum Holding Period, unless otherwise stated.

4.7 Credits accrued in the Customer's Airtime Account may be used to purchase Network capacity from O2.

5 DISCONNECTION OF SIM CARDS

5.1 The Customer may serve on O2 a disconnection notice in respect of a SIM Card(s) at any time.

5.2 O2 will, within 30 days from receipt of a disconnection notice, disconnect the relevant SIM Card(s) from the Mobile Services.

5.3 In the event that the Customer gives a disconnection notice resulting in disconnection of a SIM Card prior to the expiry of its Minimum Period (as set out in the Commercial Schedule), the Customer will pay to O2 any applicable Termination Fee.

6 OBLIGATIONS OF THE CUSTOMER

6.1 The Customer shall notify O2 immediately (and confirm in writing) on becoming aware that any SIM Card has been lost or stolen or that any person is making improper or illegal use of a SIM Card and shall remain liable for any Charges incurred in respect of and any information contained within that SIM card up until the point at which it notifies O2. .

6.2 The Customer shall, and shall take all reasonable steps to ensure that Users (or anyone having access to the Services) will:

(a) not use the Mobile Services in any way to generate AIT; and

(b) not, without the prior written consent of O2 which may be withheld at O2's absolute discretion, establish, install or use a Gateway so that telecommunication services are provided via the Gateway;

(c) not make nuisance calls or use the Services to spam or to send unsolicited advertising or promotional material;

(d) comply with O2's reasonable instructions relating to health, safety, security and use of the Network; and

(e) comply with any applicable fair use policy that O2 may issue from time to time.

6.3 The Customer agrees not to use SMS or MMS for the purpose of marketing or advertising anything to users of mobile services without the consent of those users.

6.4 The Customer agrees that in respect of SMS and MMS, O2 is acting as a network operator and as such has no knowledge of, involvement with, or liability for the specific content of any text messages sent to the Customer's SIM Cards, which do not originate from O2.

6.5 The Customer shall not be permitted to transfer a SIM Card from the tariff which that SIM Card was originally connected to under this Agreement to another tariff except where O2 at O2's absolute discretion agrees to do so and confirms such a change in writing to the Customer.

6.6 O2 can at its discretion suspend any SIM Card from making calls (other than to emergency services) and disconnect any SIM Card from the Mobile Services if O2 has reasonable cause to suspect fraudulent use of the SIM Card or relevant Mobile Equipment, or either are identified as being stolen. The Customer shall remain liable for all Charges levied in accordance with this Agreement during any period of suspension.

7 VALUE ADDED SERVICES

7.1 The Customer may order Value Added Mobile Services and O2 may accept or decline such orders.

7.2 O2 reserves the right to add to, substitute, or to discontinue any Value Added Mobile Service at any time. O2 does not guarantee the continuing availability of any particular Value Added Mobile Service.

8 CUSTOMER EQUIPMENT

8.1 Certain elements of the Mobile Services are dependent on the Customer having suitable customer equipment available and in the event that the Customer is unable to provide such customer equipment, then:

(a) some of the Mobile Services may not function correctly (the "Affected Services");

(b) O2 may choose not to provide the Customer with the Affected Services; and

(c) O2 shall have no liability for the Customer's inability to receive those Affected Services.

8.2 Any customer equipment must be:

(a) technically compatible with the Network and the relevant Mobile Service and shall not harm the Network or equipment belonging to another customer;

(b) connected to the Network strictly in accordance with the instructions of O2; and

(c) used by the Customer in compliance with any relevant instructions, standards and laws.

MOBILE SERVICE SCHEDULE BLACKBERRY SERVICE

The following additional terms and conditions apply to the provision of the BlackBerry Service.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions, the Mobile Terms and the Mobile Equipment Terms, the following terms and expressions apply:

“**APN**” means access point name;

“**BES Software**” means the software known as the BlackBerry Enterprise Server Software and which, when installed on the Customer's Server of the required Server Specification, forms part of the End-User Licensed Software for the purposes of using the BlackBerry Service;

“**BlackBerry Device**” means a piece of Mobile Equipment the principal purpose of the design of which is for use with the BlackBerry Service or any other mobile device on which the BlackBerry software is installed for the purpose of using the BlackBerry Service;

“**BlackBerry Internet Mail and BlackBerry Internet Solution**” means the use of the BlackBerry Service in conjunction with compatible Internet based e-mail accounts;

“**BlackBerry Service**” means the Mobile Service which enables the Customer to send and receive data through Research In Motion's BlackBerry Infrastructure using the blackberry.net APN;

“**BlackBerry Customer Service Charter**” means the service plan for BlackBerry as determined by O2, which can be provided to the Customer by O2 on request and as updated by O2 from time to time;

“**BlackBerry Voice Service**” means the service which enables voice calls to be made and/or received on a BlackBerry Device;

“**First Line Support**” means the Customer's IT helpdesk which shall be the Customer's employees' first point of contact in the event that they have a query or problem with a BlackBerry Device or the BlackBerry Service;

“**Server**” means the computer server provided by the Customer on which the BES Software will be installed and operate; and

“**Server Specification**” means the minimum specification of the Server which shall be available from O2 upon request.

2 MOBILE SERVICE

The BlackBerry Service is a “Mobile Service” and the Mobile Terms will apply to this Service.

3 SERVICE STANDARDS

The Customer acknowledges that the BlackBerry Service employs mobile Airtime which is subject to the geographic extent of airtime coverage and local geography, topography and/or atmospheric conditions and/or other physical or electromagnetic interference and/or the number of users trying to access the Network in any particular location that may from time to time adversely affect the provision of the BlackBerry Service.

4 CUSTOMER OBLIGATIONS

4.1 The Customer shall, at its own cost, be responsible for:

- (a) procuring and commissioning the Server in accordance with the Server Specifications;
- (b) installing the BES Software;
- (c) providing suitably qualified IT personnel who have a full working knowledge of the Customer's corporate e-mail system and firewalls;
- (d) configuring the BES Software for each BlackBerry Device;
- (e) ensuring that any of its staff who will provide First Line Support have received suitable training which O2 may provide in accordance with this Agreement;
- (f) providing First Line Support for BlackBerry Device users;
- (g) providing the necessary training for BlackBerry Device users; and
- (h) integrating the Customer's e-mail accounts with the BlackBerry Internet Solution, including but not limited to resolving any issues arising from the interface with the Customer's e-mail internet service provider and/or Customer's IT infrastructure and policy.

4.2 In the event that the Customer uses software packages or applications other than those approved by O2 for use with a BlackBerry Device or the Server, O2 shall have no liability whatsoever for any failure of the BlackBerry Service resulting from the use of such software packages or applications by the Customer.

4.3 The Customer will deactivate any lost, stolen or replaced Mobile Equipment from the Server.

4.4 The Customer shall use the returns process as detailed by O2 to the Customer from time to time for returns of all damaged/faulty Mobile Equipment and/or other equipment.

4.5 The Customer will take all reasonable steps to ensure that all its BlackBerry Device users invoke password protection on their Mobile Equipment. O2 shall not be liable for any losses whatsoever or howsoever occurring as a result of a BlackBerry Device user failing to invoke adequate password protection. The Customer will inform its Users, that text messages as well as e-mails are retained on a BlackBerry Device even when it is turned off or the SIM Card is removed from it.

4.6 The Customer shall be responsible, as licensee of the End-User Licensed Software for any encryption of information between the Customer's BES Software and the BlackBerry Devices. The Customer shall accept responsibility for the provision, when properly required, of unencrypted information to the relevant authorities in accordance with European regulations and United Kingdom legislation. In the event that changes in legislation impose a requirement on O2 to provide such unencrypted information, the Customer shall provide O2, promptly or in accordance with any statutory timescales, with the unencrypted information in order for O2 to forward it to the relevant authority.

4.7 O2 reserves the right to upgrade and change the specification of the BlackBerry Internet Solution at any time. This may entail, but is not limited to, changes to the web interface, rules around the maximum number of days that data will be retained and mailbox capacity.

4.8 All BES Software, Client Access End-User Licenses will be provided via Electronic Stock Distribution (ESD) only. O2 will not provide copies of BES Software to the Customer on physical media, but will make the software available for the Customer to download.

MOBILE SERVICE SCHEDULE MOBILE BROADBAND

The following additional terms and conditions apply to the provision of Mobile Broadband.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions, the Mobile Terms and the Mobile Equipment Terms, the following terms and expressions apply:

“**Mobile Broadband**” means the Mobile Service under which O2 enables the Customer to use the internet to send and receive data over the Network using approved Mobile Equipment containing an O2 SIM Card; and

2 MOBILE SERVICE

Mobile Broadband is a “Mobile Service” and the Mobile Terms will apply to this Service.

3 SERVICE STANDARDS

3.1 Connection speeds are subject to various factors including network coverage and signal strength and therefore O2 cannot guarantee that the Customer's connection will reach any specific speeds.

3.2 Use of Mobile Broadband is subject to the Customer using a compatible laptop or mobile handheld device. The Customer is responsible for ensuring they meet minimum system requirements, as specified by O2, in order to use the service.

3.3 Data usage can be monitored through the “Connection Manager” software. Data usage is displayed by calendar month and may not match the Customer's billing period so must be used as guidance only.

4 CUSTOMER OBLIGATIONS

4.1 The Customer must tell O2 immediately upon becoming aware of any improper disclosure of security information or unauthorised use of Mobile Broadband through the Customer's account.

4.2 An excessive usage policy operates and the Customer shall ensure the Mobile Broadband is not used:

- (a) in, or connected to, any other device excluding a USB modem or data card; or
- (b) to allow the continuous streaming of any audio/video content, to enable Voice over Internet Protocol (VoIP), to use Peer to Peer (P2P) software or for file sharing.

If O2 reasonably suspects the Customer is not acting in accordance with this policy O2 shall contact the Customer with its concerns and reserves the right to impose further Charges and/or impose network protection controls which may reduce the Customer's speed of transmission.

MOBILE SERVICE SCHEDULE MOBILE BROADBAND WITH LAPTOP

The following additional terms and conditions apply to the provision of Mobile Broadband with Laptop.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions and, the Mobile Terms and the Mobile Equipment Terms, the following terms and expressions apply:

“**Mobile Broadband with Laptop**” means the Mobile Service under which O2 enables the Customer to use the internet to send and receive data over the Network using approved Mobile Equipment containing an O2 SIM Card and provides the Customer with laptop(s) and/or mini-laptop(s); and

2 MOBILE SERVICE

Mobile Broadband with Laptop is a “Mobile Service” and the Mobile Terms will apply to this Service.

3 SERVICE STANDARDS

3.1 Connection speeds are subject to various factors including Network coverage and signal strength and O2 can not guarantee the Customer's connection using Mobile Broadband with Laptop will reach any specific speeds.

3.2 Any laptop or mini-laptop supplied by O2 as part of the Mobile Broadband with Laptop may be provided with pre-installed software. This may include, but is not limited to, a Microsoft operating system, a virus checker, word processing and similar software and a manufacturer's recovery program. The Customer is responsible for registering these services upon first use of the laptop. Failure to do so may result in full services not being provisioned.

3.3 The Mobile Equipment Terms shall apply to the provision by O2 and use by the Customer of laptops and USB modems under this Service Schedule.

4 CUSTOMER OBLIGATIONS

4.1 The Customer must tell O2 immediately upon becoming aware of any improper disclosure of security information or unauthorised use of Mobile Broadband with Laptop through the Customer's account.

4.2 An excessive usage policy operates and the Customer shall ensure Mobile Broadband with Laptop is not used:

- (a) in, or connected to, any other device excluding a USB modem or data card; or

(b) to allow the continuous streaming of any audio/video content, to enable Voice over Internet Protocol (VoIP), to use Peer to Peer (P2P) software or for file sharing.

If O2 reasonably suspects the Customer is not acting in accordance with this policy O2 shall contact the Customer with its concerns and reserves the right to impose further Charges and/or impose network protection controls which may reduce the Customer's speed of transmission.

4.3 The Customer shall ensure that the “O2 Assistant” and “O2 Connection Manager” tools and O2 approved virus checker software are retained on all laptops or mini-laptops provided as part of the Mobile Broadband with Laptop for the Minimum Period and any additional period during which the Mobile Services are provided by O2 in order to continue to be able to receive a full support service from O2.

FIXED TERMS

The following additional terms and conditions apply to the provision of the Fixed Services.

1 DEFINITIONS

In these Fixed Terms, in addition to the terms defined in the General Conditions, the following terms and expressions apply:

“**CPE**” means all hardware, software, cabling and related facilities provided by the Customer that is used by the Customer in relation to a Fixed Service;

“**Customer Equipment**” means hardware, software, cabling and related facilities provided by the Customer and used by the Customer in relation to a Fixed Service (but excluding Hardware and O2 Equipment);

“**Fixed Services**” means those Services identified as a “Fixed Service” in the Service Schedules;

“**Fixed Terms**” means this document entitled “Fixed Terms”;

“**Hull Area**” means the area defined as the ‘Licensed Area’ in the licence granted on 30 November 1987 by the Secretary of State under section 7 of the Telecommunications Act 1984 to Kingston upon Hull City Council and Kingston Communications (Hull) plc;

“**LAN**” means local area network;

“**O2 Equipment**” means hardware and other equipment, including Software, which is provided by O2 or O2’s suppliers to the Customer under this Agreement;

“**O2 Representative**” means a representative of O2 and which includes a representative of O2’s suppliers;

“**Service Level**” means the service level(s) for the relevant Fixed Service as set out in the applicable Service Schedule;

“**Site**” means (where applicable) a physical location at which any O2 Equipment shall be located and/or to which a Fixed Service shall be provided;

“**Territory**” means the United Kingdom but not including the Hull Area, Isle of Man, Isles of Scilly and the Channel Isles; and

“**WAN**” means wide area network.

2 AVAILABILITY OF FIXED SERVICES

O2 will provide the Fixed Services in the Territory.

3 CHARGES

3.1 The Charges for Fixed Services detailed in the Commercial Schedule are available subject to the Customer fulfilling all of its commitments as set out in this Agreement.

3.2 The Charges for Fixed Services may be subject to the results of any survey or investigation of the Site carried out by or on behalf of O2.

4 CUSTOMER EQUIPMENT

4.1 The Customer shall ensure that any Customer Equipment:

(a) is technically compatible with the Network and the relevant Fixed Service including, without limitation, conforming to any interface specifications and/or routing protocols specified by or on behalf of O2;

(b) does not harm the Network, O2 Equipment or any equipment belonging to a Third Party;

(c) is connected to the Network and the relevant Fixed Service strictly in accordance with the instructions of O2; and

(d) is used by the Customer strictly in accordance with any legislation, instructions, safety and security procedures, licences and standards.

4.2 If the Customer Equipment does not meet the requirements set out in clause 4.1 of these Fixed Terms, the Customer must immediately disconnect the Customer Equipment from the Network, the O2 Equipment and the Fixed Services. O2 may disconnect the Customer Equipment, at the Customer’s expense (providing as much prior notice as reasonably possible to the Customer) in the case of emergency or where the disconnection is required by law.

4.3 Certain elements of the Fixed Services are dependent on the Customer having suitable Customer Equipment available and in the event that the Customer is unable to provide such Customer Equipment, then:

(a) some of the Fixed Services may not function correctly; and

(b) O2 shall have no liability for the Customer’s inability to receive those Services.

4.4 If the Customer asks O2 to test the Customer Equipment to make sure that it complies with the relevant standards and any licences applicable to the Customer, the Customer must pay O2 the applicable Charges set out in the O2 Price List.

5 SITE PREPARATION, ACCESS AND INSTALLATION

5.1 Where Fixed Services are provided to a Site, the supply of the Fixed Services and any part of them shall be subject to satisfactory results of any survey or other investigation of the Site carried out by or on behalf of O2 that O2 deems necessary in relation to the Site prior to the supply of the Fixed Services.

5.2 O2 may in its sole discretion determine that it may not be able to provide the relevant Fixed Services to certain Sites and O2 reserves the right to:

(a) cancel the element of the Fixed Services that cannot be provided and refund any money that the Customer has paid in respect of that element of the Services but continue the provision of the other elements of the Fixed Services; or

(b) cancel all Fixed Services ordered by the Customer and refund any money that the Customer has paid.

5.3 If O2 Equipment is to be installed at a Site to enable O2 to supply the Fixed Services, the Customer shall (at its own expense),

(a) prior to installation:

(i) prepare Sites that comply with O2’s reasonable instructions including, without limitation, provide any openings in buildings;

(ii) provide any electricity and telecommunication connection points reasonably required by O2 to install the O2 Equipment; and

(iii) obtain whatever consents or permissions as may be necessary for O2 to locate O2 Equipment on and access the Site, including but not limited to permission for any necessary alterations to buildings or premises, permission to cross land or permission to put the O2 Equipment on property;

(b) following a request from O2, permit an O2 Representative who produces a valid identity card and proof of authorisation from O2 such access to the Sites as is reasonably necessary for O2 to perform maintenance and installation of O2 Equipment and to carry out its obligations in this Agreement, including access to any utilities and power supplies that an O2 Representative may reasonably require;

(c) provide a safe working environment for O2’s Representative at the Site;

(d) provide a suitable place and conditions for O2 Equipment in accordance with the relevant installation standards including providing continuous mains electricity supply and connecting points and/or all necessary trunking, conduits and cable trays; and

(e) provide internal cabling between O2 Equipment and any Customer Equipment, as appropriate.

5.4 O2’s normal working hours for Site visits are 0800-1700 on Working Days. If the Customer requests and O2 agrees to work outside of these hours, the Customer must pay additional Charges.

5.5 O2 will normally only require access to the Site during the working hours set out in clause 6.4 of these Fixed Terms, but may, on reasonable notice, require the Customer to provide access at other times.

5.6 The Customer will notify O2 immediately if any limitation to reasonable access to the O2 Equipment or Site is likely to occur. O2 may charge the Customer for any costs or expenses incurred as a result of O2 Representatives being unable to access the Site at the agreed time. The Charges may include the payment of Charges for the Services as if they had commenced, irrespective of whether that is the case.

5.7 O2 will not be liable for any breach of this Agreement (including, without limitation, the Service Levels) to the extent that any failure by O2 to perform its obligations is as a result of O2’s Representative not being granted access to any Site by the Customer or a failure of the Customer to fulfil its obligations under this Agreement.

5.8 The Customer and O2 agree to look after each other’s equipment on the Site. O2 shall have no liability for faults arising in the O2 Equipment or interruption in the provision of Services caused by failures in the power supply, except where such power supply failure is directly caused by O2.

5.9 O2 Representatives will observe the Customer’s reasonable Site regulations as previously notified in writing to O2, although O2 will not be liable for any breach of this Agreement arising out of any conflict between any Site regulations and this Agreement.

5.10 O2 Representatives accessing the Customer’s premises will comply with all relevant applicable laws relating to health and safety.

5.11 The Customer is responsible for making the Site good after any work undertaken by O2 at the Site, including putting items back and for redecorating.

5.12 This clause 5 shall apply following termination of the Agreement to the extent required for O2 to disconnect and remove any O2 Equipment from the premises.

6 SERVICE LEVELS

6.1 O2 will provide the Fixed Services in accordance with the relevant Service Levels, from the applicable Service Commencement Date.

6.2 The Service Levels set out in a specific Service Schedule apply solely to the Fixed Services covered under that Service Schedule and not any other Services provided under this Agreement.

6.3 In the event that a fixed level of compensation is provided for in relation to a failure to meet a Service Level, such fixed level of compensation will be the sole and exclusive remedy available to the Customer and O2’s sole liability for any failure to meet such Service Level. Where O2 has provided a Service Level target only and there is no compensation entitlement specified for a failure to meet the Service Level, O2 will use reasonable endeavours to comply with such Service Levels but such Service Levels are targets only and O2 has no contractual liability for any failure to meet such Service Levels.

6.4 The Customer acknowledges that only those performance measures produced by or on behalf of O2 will be used for assessing O2’s performance against the Service Levels.

6.5 Where O2 requests any information from the Customer, a User or a relevant Third Party associated with the Customer or User, the number of whole or part hours taken for the relevant Customer, User or Third Party to provide such information to O2 will be added to the timescales relating to the Service Levels.

6.6 O2 will not be liable for any failure to meet a Service Level if:

(a) the failure by O2 is due to the Customer’s own network or Customer Equipment or any other network (including but not limited to the Internet) or equipment outside the Network;

(b) the Customer is in breach of any part of the Agreement that affects O2’s ability to comply with the Service Level;

(c) through no fault of its own or because of circumstances beyond its reasonable control, O2 is unable to carry out any necessary work at, or gain access to the Site or the Customer fails to agree an appointment date or work is aborted;

(d) the Customer and O2 agree a different timescale for performance of a Service Level;

(e) the failure is because reasonable assistance is required by O2 from the Customer, a User or a relevant Third Party associated with the Customer or User and such assistance is not provided within the required timescale, or if not timescale is specified, such assistance is not provided promptly;

(f) through no fault of its own, O2 is unable or is waiting to obtain any necessary parts, permissions or consents required in connection with the performance of a particular Service Level;

(g) the failure is due to a matter outside of O2’s reasonable control, including where a fault is caused by the Customer or a Third Party;

(h) the failure is due to an inaccurate order being submitted by the Customer where such inaccuracy materially contributes to the failure by O2;

(i) the failure is due to any suspension of the Services in accordance with clause 13 of the General Conditions;

(j) in relation to Fixed Services which require geographic telephone number porting, the failure is due to the application of the geographic number porting process; or

(k) the failure is caused by the presence of an incompatible product or service.

7 PROVIDING THE SERVICES BY NON-STANDARD MEANS

7.1 If O2 would incur unusual or additional costs in providing the Fixed Services to a Site, O2 shall be entitled, on providing written notice to the Customer and with the Customer’s agreement, to increase the Charges by the amount of such costs. The Customer may request information specifying the basis for the additional Charges.

7.2 Where, in order to meet the Customer’s requirements:

(a) O2 considers it appropriate to provide the Fixed Services, wholly or in part, by non-standard means or at substantially greater expense than O2 normally incurs, so that O2’s standard tariffs would be inappropriate; or

(b) at the Customer’s request, the Fixed Services are provided at greater expense by reason of the type of materials used, the length, or the manner of installation, than O2 normally incurs,

O2 may determine, in addition to any standard Charges payable, a supplementary Charge in relation to the relevant order for the Fixed Services and O2 will notify the Customer in writing of any such Charge. Where such Charge is notified to the Customer, the Customer may cancel the relevant Fixed Services within 14 days of the written notice.

7.3 A supplementary Charge determined by O2 in accordance with clauses 8.1 and/or 8.2 of these Fixed Terms may be in addition to, or instead of, any applicable standard rates of rental and/or other Charges for the Fixed Services.

7.4 Where Fixed Services are provided by non-standard means, O2 may determine in an individual case that it is necessary or appropriate that special terms and conditions will apply in addition to, or instead of, any terms and conditions under this Agreement and O2 will notify the Customer in writing of any such special terms and conditions. Where such special terms and conditions are notified to the Customer, the Customer may cancel the relevant Fixed Services within 14 days of the written notice. If there is any conflict between the special terms and conditions notified in accordance with this clause 8.4 and the Agreement, the special terms and conditions will prevail.

7.5 For the avoidance of doubt, any supplementary Charge or special terms and conditions notified in accordance with this clause will not constitute a variation to this Agreement for the purposes of clause 12 of the General Conditions.

8 FAULT RESPONSE

8.1 Unless provided otherwise in a Service Schedule, O2 shall provide fault response in accordance with such of the options set out in Appendix 1 as is specified as the default response option in the relevant Service Schedule.

8.2 The Customer can request a faster repair service (“Expedite Repair”). Expedite Repair is a service whereby the Customer can request a quicker response/fix than the default response option on a per occasion basis. Charges will apply for Expedite Repair.

8.3 If the Customer reports a fault and O2 or O2’s Representative finds that there is no fault or that the fault was caused by the Customer, the Customer must pay O2 the Charges for any work carried out by or on behalf of O2 in relation to the Customer’s fault report at the relevant rate set out in the O2 Price List.

9 O2 SUPPLIERS

9.1 The Customer acknowledges and agrees that O2 may use suppliers to supply the Fixed Services and/or O2 Equipment and carry out O2’s obligations. The Customer will give all such reasonable assistance and access to such suppliers as if they were employees of O2.

9.2 The Customer acknowledges and agrees that O2 may use and share the Customer’s details (including those of its Users) with O2’s suppliers for the purposes of meeting O2’s obligations under this Agreement. The Customer acknowledges and agrees that O2’s suppliers may contact the Customer directly.

9.3 O2 may, without prejudice to its other rights hereunder, suspend or terminate a Fixed Service if an O2 supplier suspends or terminates the provision of services to O2 and O2 is unable to find a replacement Supplier. O2 will provide as much notice as is reasonably possible.

10 OTHER CUSTOMER OBLIGATIONS

10.1 The Customer must provide and maintain its own LAN and/or WAN and ensure that the LAN protocols and applications it uses will operate satisfactorily over the WAN connections using the Fixed Services.

10.2 The Customer will ensure that it has appropriate security policies, including data archiving, in place.

10.3 Except as expressly set out in this Agreement, O2 will not be required to integrate or interface the Fixed Services with any of the Customer’s services, technologies, products or CPE.

11 SUSPENSION OR TERMINATION OF A FIXED SERVICE

11.1 O2 may terminate the supply of a Fixed Service without any liability if the Customer does not agree to vary the Charges in accordance with clause 7.1 of these Fixed Terms.

12 NUMBERS AND CODES

12.1 O2 may allocate the Customer numbers, IP addresses and/or other codes required for the Fixed Services (“Allocated Numbers”) in accordance with the Service Schedules. The Customer shall not sell or transfer any Allocated Numbers to anyone else or agree to or try to do so.

12.2 Nothing in this Agreement shall be construed as to transfer from O2 to the Customer ownership of any Allocated Numbers or to grant the Customer the right to sell or dispose of any Allocated Numbers and all rights in such Allocated Numbers belong to O2 or its licensors. All the Customer’s rights to use the Allocated Numbers will cease upon termination of the relevant Fixed Service upon which the Allocated Numbers will revert to O2 or its licensors.

12.3 The Customer acknowledges that O2 may change the numbers, IP addresses or other codes it has allocated to the Customer. O2 shall (where reasonably practicable) provide the Customer with reasonable notice of such a change.

12.4 The Customer will comply with any and all instructions for use of any number, IP address or other code issued by the Third Party provider of that number, IP address or other code. O2 shall (where reasonably practicable) provide the Customer with reasonable notice of such instructions.

Level 2	
Working hours	Fault reporting
The working hours for this fault response level are 8.00am to 6.00pm Monday–Saturday excluding UK public and bank holidays.	Faults may nevertheless be reported 24 hours a day, 7 days a week (including UK public and bank holidays). Where a fault is reported outside of the working hours for this fault response level, the fault will be treated as if it has been reported at the commencement of the next working hour for this fault response level. Work will normally only be carried out during the working hours for this fault response level.

Level 3	
Working hours	Fault reporting
The working hours for this fault response level are 7.00am to 9.00pm Monday–Friday and 8.00am to 6.00pm Saturday, Sunday and UK public and bank holidays.	Faults may nevertheless be reported 24 hours a day, 7 days a week (including UK public and bank holidays). Where a fault is reported outside of the working hours for this fault response level, the fault will be treated as if it has been reported at the commencement of the next working hour for this fault response level (including public and bank holidays). Work will normally only be carried out during the working hours for this fault response level.

Level 4	
The working hours for this fault response level are 24 hours a day Monday–Sunday including UK public and bank holidays.	

Peak	
Working hours	Fault reporting
The working hours for this fault response level are 8.00am to 5.00pm on Working Days.	Faults may nevertheless be reported 24 hours a day, 7 days a week (including public and bank holidays). Where a fault is reported outside of the working hours for this fault response level, the fault will be treated as if it has been reported at 8.00am on the next Working Day. Work will only be carried out during the working hours for this fault response level.

Peak Plus	
Working hours	Fault reporting
The working hours for this fault response level are 8.00am to 5.00pm on Monday to Saturday (excluding public and bank holidays).	Faults may nevertheless be reported 24 hours a day, 7 days a week (including public and bank holidays). Where a fault is reported outside of the working hours for this fault response level, the fault will be treated as if it has been reported at 8.00am on the next day (excluding Sundays, public and bank holidays). Work will normally only be carried out during the working hours for this fault response level.

Anytime	
This fault response level operates 24 hours a day, 7 days per week including public and bank holidays. O2 will respond within 4 hours of receipt of a fault report.	

FIXED SERVICE SCHEDULE LANDLINE SERVICE

The following additional terms and conditions apply to the provision of the Landline Service.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions and the Fixed Terms the following terms and expressions apply:

“**Another Service Provider**” means a provider of telecommunications services, other than O2 within the United Kingdom;

“**Calls Service**” means the outbound calling service that supports direct dial voice calls to geographic numbers, mobile numbers, non geographic numbers, premium rate numbers, international direct dial numbers, the emergency services and the operator. This service does not support other types of communication, including, but not limited to, transfers of GSM data, wifi data, SMS, MMS and GPRS;

“**Failure of the Landline Service**” means the continuous total loss of the ability to use the Landline Service;

“**Landline Bolt Ons**” means such other services as may be provided by O2 on the Landline Service, including but not limited to call management services;

“**Landline Service**” means the service described in paragraph 2;

“**Multi-line Landline**” means a multi-line analogue installation that terminates on a line box or a NTTP (network telephony terminating point). It comprises of a main line and up to 199 auxiliary lines with a single number;

“**PSTN**” means a public switched telephone network being the international telephone system based on copper wires, which carry analogue voice data; and

“**Single Landline**” means a single analogue line that terminates on a line box or a NTTP (network telephony terminating point).

2 LANDLINE SERVICE

2.1 The Landline Service consists of the provision of:

- (a) a Single Landline or a Multi Line Landline; and
- (b) the Calls Service.

2.2 The Landline Service is provided using premium landlines. At the Customer's request, O2 will arrange for directory enquiry entries and entries in the relevant BT residential directory or relevant BT business directory for premium landline.

2.3 The Customer shall not have a carrier pre-select service with Another Service Provider in conjunction with the Landline Service. The Landline Service will not be available to the Customer where the Customer has an existing carrier pre-select service.

3 FIXED SERVICE

The Landline Service is a “Fixed Service” and the Fixed Terms will apply to this Service.

4 CALL CHARGES

4.1 Unless otherwise stated in the Commercial Schedule or the O2 Price List, the following apply to calls made using the Calls Service:

- (a) call prices are quoted by the minute and are priced based on duration, destination and time of day;
- (b) the duration of each call shall be measured to the nearest hundredth of a second, i.e. Hr: Min: Sec: 1/100Sec (00:05:32.23);
- (c) the cost of an individual call is rounded down to the nearest deci-pence (i.e. 0.1p or £0.001), with the final bill total rounded to the nearest penny;
- (d) each call shall be charged excluding VAT, based on the duration, the ex VAT cost of each call is then calculated and the result rounded up to the nearest penny. VAT is then added where applicable to the total of all charges on the Customer's invoice;
- (e) peak rate call Charges apply from 07:00 to 19:00, Monday to Friday;
- (f) evening rate call Charges apply from 00:00 to 07:00 and 19:00 to 23:59, Monday to Friday;
- (g) weekend rate call Charges apply from 00:00 Saturday to 23:59 Sunday;
- (h) calls are subject to a minimum Charge as detailed in the O2 Price List.

5 LANDLINE BOLT ONS

5.1 The Landline Bolt Ons are set out in the Appendix to this Service Schedule. Further description of these Landline Bolt Ons can be found on the O2 Price List.

5.2 Some Landline Bolt Ons are not available in conjunction with other Landline Bolt Ons.

5.3 The availability of Landline Bolt Ons is dependant on the telephone exchange type which serves the User.

6 NUMBERS

6.1 O2 will allocate to the Customer a telephone number for the Landline Service. Unless otherwise agreed by the parties, the allocated number will be the next available number in the number range.

6.2 Where the Customer wants to retain its existing telephone number and such number is not connected to the Network, additional migration work may be required. The Customer will provide O2 with any information required by O2. O2 will have no responsibility for any delays (including for any liability for failure to meet Service Levels) in the commencement of the Landline Service due to delay caused by the migration of the Customer's existing telephone number.

7 CPE

CPE can only be connected to the Network for the Landline Service using a BT main telephone socket or approved connection point.

8 FAULT RESPONSE

The default fault response option for the Landline Service is Level 2.

9 TERMINATION OF THE LANDLINE SERVICE

9.1 Where O2's supplier receives a valid order which relates to the line on which the Landline Service is provided from another telecommunications provider:

- (a) the Customer will be deemed to have provided notice of termination of a Landline Service in accordance with clause 14.1 of the General Conditions with the exception that the 30 days' notice set out in clause 14.1 of the General Conditions may not apply; and
- (b) O2 will terminate the Landline Service in accordance with the standard industry practices.

10 SERVICE LEVELS - TARGETS

New installation

10.1 O2 will aim to install new Landline Services in accordance with the target Service Levels set out below:

New Installations	Target Service Level from O2's acceptance of an order (Working Days)
Landline Service	4 – 22

10.2 O2 will have all new supply orders completed and available for use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Transfer orders

10.3 O2 will have all transfer orders completed and available to use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Fault Response

10.4 O2 will clear a Failure of the Landline Service:

- (a) if the Customer has chosen the Level 2 fault response option, by the later of:
 - (i) 23.59 hours on the day (excluding Sundays, UK public and bank holidays) following the day on which the fault is treated as being reported in accordance with the Level 2 fault response; and
 - (ii) 23.59 hours on the appointment date agreed by both parties;
- (b) if the Customer has chosen the Level 3 fault response option, by the later of:
 - (i) 23.59 hours on the same day if the fault is treated as being reported in accordance with the Level 3 fault response on or before 12.59 hours; or no later than 12.59 hours on the next day if the fault is reported after 12.59 hours but within the working hours for the Level 3 fault response; and
 - (ii) 23.59 hours on the appointment date agreed by both parties;
- (c) if the Customer has chosen the Level 4 fault response option, by the later of:
 - (i) 6 hours from the fault report being received by O2; or
 - (ii) 23.59 hours on the appointment date agreed by both parties.

11 SERVICE LEVELS - COMPENSATION

New installation

11.1 Subject to clause 11.5 of this Service Schedule, if O2 fails to meet its commitments set out in clause 9.2 of this Service Schedule, then for each day or part day O2 is late in meeting such commitments, subject to any limitation set out in this Agreement, the Customer shall be entitled to an amount equal to one month's rental Charge per affected Landline Service.

Transfer orders

11.2 Subject to clause 11.5 of this Service Schedule, if O2 fails to meet its commitments set out in clause 9.3 of this Service Schedule, then for each day or part day O2 is late in meeting such commitments, subject to any limitation set out in this Agreement, the Customer shall be entitled to an amount equal to one month's rental Charge per affected Landline Service.

Fault response

11.3 Subject to clause 11.5 of this Service Schedule, if O2 fails to meet its commitments set out in clause 9.4 of this Service Schedule, then for each day or part day O2 is late in clearing a Failure of the Landline Service, subject to any limitation set out in this Agreement, the Customer shall be entitled to an amount equal to one month's rental Charge per affected Landline Service.

Compensation payments

11.4 O2 will compensate the Customer proactively should it be liable to pay compensation in accordance with this paragraph 11. Any such payment will be credited to the Customer's invoice unless the Landline Service has been terminated, in which case a payment will be made.

Limit on compensation

11.5 The maximum compensation payable under this clause 11 of this Service Schedule for any one failure shall be limited to 60 full days per affected Landline Service.

**APPENDIX
LANDLINE BOLT ONS**

The following Landline Bolt Ons are pre-provisioned on the Landline Service

Landline Bolt Ons	Single Line	Multi Line (First Line)	Multi Line (Aux Line)
1471 and Call Return	Y	N	N
Reminder Call	Y	N	N
Ring Back	Y	N	N
Three Way Calling	Y	N	N
Withhold Number '141'	Y	Y	Y
Caller Display	Y	Y	As per first line
Selective Call Barring (O2 Controlled)	Y	Y	Y
Call Diversion (Customer Controlled)	Y	Y	As per first line
Call Minder Custom	Y	Y	As per first line
Call Sign	Y	N	N
Call Waiting	Y	N	N
Smart Divert	Y	Y	As per first line

The following Landline Bolt Ons are non-standard Landline Bolt Ons that can be provisioned on the Landline Service

**FIXED SERVICE SCHEDULE
ISDN 2 SERVICE**

The following additional terms and conditions apply to the provision of the ISDN 2 Service.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions and the Fixed Terms the following terms and expressions apply:

"Another Service Provider" means a provider of telecommunications services, other than O2 within the United Kingdom;

"Calls Service" means the outbound calling service that supports direct dial voice calls to geographic numbers, mobile numbers, non geographic numbers, premium rate numbers, international direct dial numbers, the emergency services and the operator. This service does not support other types of communication, including, but not limited to, transfers of GSM data, wifi data, SMS, MMS and GPRS;

"Failure of the ISDN 2 Service" means the continuous total loss of the ability to use the ISDN 2 Service;

"ISDN 2 Bolt Ons" means such other services as may be provided by O2 on the ISDN 2 Service, including but not limited to call management services;

"ISDN Line" means an integrated services digital network telephone line; and

"ISDN 2 Service" means the service described in paragraph 2.

2 THE ISDN 2 SERVICE

2.1 The ISDN 2 Service comprises:

- (a) an ISDN Line with two x 64Kbits channels for inbound and outbound voice and data services and one x 16Kbits channel for signalling; and
- (b) the Calls Service.

2.2 There are two variants of the ISDN 2 Service available:

- (a) ISDN2e standard – ISDN2e standard is configured as point-to-multipoint (no T-ref) installation so that it can support multi-subscriber numbers; and
- (b) ISDN2e system – ISDN2e system allows more than one ISDN2e standard to be linked together to create a multi-line installation with 4,6,8 etc. channels. ISDN2e system is configured as point-to-point (T-ref) installation so that it can support DDIs.

2.3 The signalling for the ISDN 2 Service conforms to ETSI ISDN2e standard for connection to approved equipment.

2.4 The ISDN Line terminates at the network terminating point.

2.5 The Customer shall not have a carrier pre-select service with Another Service Provider in conjunction with the ISDN 2 Service. The ISDN 2 Service will not be available to the Customer where the Customer has an existing carrier pre-select service.

3 FIXED SERVICES

The ISDN 2 Service is a "Fixed Service" and the Fixed Terms will apply to this Service.

4 AVAILABILITY

4.1 The ISDN 2 Service is not available on:

- (a) the following BT services:
 - (i) FeatureNet;
 - (ii) Light User;
 - (iii) Analogue DDI;
 - (iv) BT Basic;
 - (v) BT Payphone lines;
 - (vi) switched multimegabit data service (SMDS) products;
 - (vii) VPN FeatureNet services;
- (b) private circuits; and
- (c) other services as may be identified by O2 from time to time.

5 ISDN 2 BOLT ONS

5.1 The ISDN 2 Bolt Ons are set out in the Appendix to this Service Schedule. Further description of these ISDN 2 Bolt Ons can be found on the O2 Price List.

5.2 Some ISDN 2 Bolt Ons are not available in conjunction with other ISDN 2 Bolt Ons.

5.3 The availability of the ISDN 2 Bolt Ons is dependant on the telephone exchange type which serves the User.

6 NUMBERS

6.1 O2 will allocate the Customer numbers for each ISDN Line. These will be the next available numbers in the number range and the Customer can not request a memorable number.

6.2 ISDN2e standard can have up to 10 MSNs (Multi Subscriber Numbers) associated.

6.3 ISDN2e system supports up to 5 DDI ranges. All numbers in all ranges will have the same service profile for ISDN2e system.

6.4 A Single number DDI (SNDDI) is provided as an individual number DDI range. A maximum of 5 SNDDI – which includes the main number - can be provided on an ISDN2e system.

6.5 Where the Customer wants to retain its existing telephone number and such number is not connected to the Network, additional migration work may be required. The Customer will provide O2 with any information required by O2 and O2 will have no responsibility for any delays in the commencement of the Services due to delay caused by the migration of the Customer's existing telephone number (including for any liability for failure to meet Service Levels).

6.6 At the Customer's request, O2 will arrange for the Customer's telephone number to be included within directory enquires and in the relevant BT telephone book for the area.

7 CPE

7.1 CPE can only be connected to the Network for the ISDN 2 Service using an approved connection point.

7.2 CPE that does not conform cannot be plugged directly into the ISDN Line and will need to be connected via an ISDN 2 terminal adapter.

8 FAULT RESPONSE

8.1 The default fault response option for the ISDN 2 Service is Level 2.

9 TERMINATION OF THE ISDN 2 SERVICE

9.1 Where O2's supplier receives a valid order which relates to the line on which the ISDN 2 Service is provided from another telecommunications provider:

9.1.1 The Customer will be deemed to have provided notice of termination of the ISDN 2 Service in accordance with clause 14.1 of the General Conditions with the exception that the 30 days' notice set out in clause 14.1 of the General Conditions may not apply; and

9.1.2 O2 will terminate the ISDN 2 Service in accordance with the standard industry practices.

10 SERVICE LEVEL TARGETS

Provision new installation

10.1 O2 will aim to install new ISDN 2 Services in accordance with the target Service Levels set out below:

New Installations	Target Service Level from O2's acceptance of an order (Working Days)
ISDN 2	7 – 22

10.2 O2 will have all provision new supply orders completed and available for use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Provision transfer orders

10.3 O2 will have all provision transfer orders completed and available to use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Fault Response

10.4 O2 will clear a Failure of the ISDN 2 Service:

- (a) if the Customer has Level 2 fault response, by the later of:
 - (i) 23.59 hours on the day (excluding Sundays, UK public and bank holidays) following the day on which the fault is treated as being reported in accordance with the Level 2 fault response; and
 - (ii) 23.59 hours on the appointment date agreed by both parties;
- (b) if the Customer has Level 3 fault response, by the later of:
 - (i) 23.59 hours on the same day if the fault is treated as being reported in accordance with the Level 3 fault response on or before 12.59 hours; or no later than 12.59 hours on the next day if the fault is reported after 12.59 hours but within the working hours for the Level 3 fault response; and
 - (ii) 23.59 hours on the appointment date agreed by both parties;
- (c) if the Customer has Level 4 fault response, by the later of:
 - (i) 6 hours from the fault report being received by O2; or
 - (ii) 23.59 hours on the appointment date agreed by both parties.

11 SERVICE LEVELS COMPENSATION

If O2 fails to supply the ISDN 2 Service by the Target Delivery Date in accordance with paragraphs 10.2 and 10.3, the Customer shall be entitled to an amount equal to one month's line rental charge per affected ISDN 2 Line.

**APPENDIX
ISDN 2 BOLT ONS**

The following ISDN 2 Bolt Ons are standard ISDN 2 Bolt Ons that can be provisioned on the ISDN 2 Service

ISDN Bolt On	ISDN2e Standard	ISDN2e System
Multi Subscriber Numbering - MSN	Y	N
DDI (Direct Dial In)	N	Y
SNDDI (Single Number Direct Dial In)	N	Y
Call Forwarding (Customer Controlled)	Y	Y
Call Forwarding (O2 Controlled)	Y	Y
Calling Line Identity Presentation (CLIP)	Y	Y
Calling Line Identity Restriction (CLIR)	Y	Y
Call Waiting and Call Hold	Y	N
Call Deflection	Y	Y
Presentation Number	Y	Y
Permanent Call Barring (O2 Controlled)	Y	Y
Sub Addressing – 20 Octet	Y	Y
Selective Call Barring (O2 Controlled)	Y	Y

The following ISDN 2 Bolt Ons are non-standard ISDN 2 Bolt Ons that can be provisioned on the ISDN 2 Service

ISDN Bolt On	ISDN2e Standard	ISDN2e System
Anonymous Call Reject (ACR)	Y	Y
Connected Line Identity Presentation (COLP)	Y	Y
Connected Line Identity Restriction (COLR)	Y	Y
Digits to Switch	Y	Y
Terminal Portability	Y	N
Caller Redirect	Y	Y
Busy Out Line (BOL)	Y	Y
Temporary Call Diversion (TCD)	Y	Y

FIXED SERVICE SCHEDULE ISDN 30 SERVICE

The following additional terms and conditions apply to the provision of the ISDN 30 Service.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions and the Fixed Terms the following additional terms and expressions apply:

“Another Service Provider” means a provider of telecommunications services, other than O2 within the United Kingdom;

“Calls Service” means the outbound calling service that supports direct dial voice calls to geographic numbers, mobile numbers, non geographic numbers, premium rate numbers, international direct dial numbers, the emergency services and the operator. This service does not support other types of communication, including, but not limited to, transfers of GSM data, wifi data, SMS, MMS and GPRS;

“Failure of the ISDN 30 Service” means the continuous total loss of the ability to use the ISDN 30 Service;

“ISDN 30 Bolt Ons” means such other services as may be provided by O2 on the ISDN Line, including but not limited to call management services;

“ISDN Line” means an integrated services digital network telephone line; and

“ISDN 30 Service” means the service described in paragraph 2.

2 THE ISDN 30 SERVICE

2.1 The ISDN 30 Service comprises:

- (a) an ISDN Line with up to 30 x 64 Kbits channels for inbound and outbound voice and data services and 2 x 64 Kbits channel for signalling and maintenance; and
- (b) the Calls Service.

2.2 There are two variants of the ISDN 30 Service:

- (a) ISDN30e - ISDN30e terminates at a G704 (RJ45) interface for connection to the Customer's ISPBX or other equipment; and
- (b) ISDN30 DASS - ISDN30 DASS terminates at a G703 interface for connection to the Customer's ISPBX or other equipment.

2.3 The signalling for the ISDN 30 Service conforms to ETSI Q.931 standard for ISDN30e and DASS2 (Digital Access Signalling System Number 2) for ISDN30 DASS for connection to approved equipment.

2.4 The ISDN 30 Service supports up to 5 DDI ranges. All numbers in all ranges will have the same service profile for ISDN30e, where as ISDN DASS can have different service profiles on different channels.

2.5 A Single number DDI (SNDDI) is provided as an individual number DDI range. A maximum of 5 SNDDI – which includes the main number - can be provided on an ISDN30e. SNDDI is not supported from ISDN30 DASS.

2.6 The Customer shall not have a carrier pre-select service with Another Service Provider in conjunction with the ISDN 30 Service. The ISDN 30 Service will not be available to the Customer where the Customer has an existing carrier pre-select service.

3 FIXED SERVICES

The ISDN 30 Service is a “Fixed Service” and the Fixed Terms will apply to this Service.

4 AVAILABILITY

4.1 The ISDN 30 Service is not available on:

(a) the following BT services:

- (i) FeatureNet;
- (ii) Light User;
- (iii) Analogue DDI;
- (iv) BT Basic;
- (v) BT Payphone lines;
- (vi) switched multimegabit data service (SMDS) products;
- (vii) VPN FeatureNet services;
- (b) private circuits; and
- (c) such other services as may be identified by O2 from time to time.

5 ISDN 30 BOLT ONS

5.1 The ISDN 30 Bolt Ons are set out in the Appendix to this Service Schedule. Further description of these ISDN 30 Bolt Ons can be found on the O2 Price List.

5.2 Some ISDN 30 Bolt Ons are not available in conjunction with other ISDN 30 Bolt Ons.

5.3 The availability of the ISDN 30 Bolt Ons is dependent on the telephone exchange type which serves the User.

6 NUMBERS

6.1 O2 will allocate the Customer numbers for each ISDN Line. These will be the next available numbers in the number range and the Customer can not request memorable numbers. Up to 5 DDI ranges can be provided for each ISDN Line.

6.2 Where the Customer wants to retain its existing telephone number and such number is not connected to the Network, additional migration work may be required. The Customer will provide O2 with any information required by O2 and O2 will have no responsibility for any delays in the commencement of the Services due to delay caused by the migration of the Customer's existing telephone number (including any liability for failure to meet Service Levels).

6.3 At the Customer's request, O2 will arrange for the Customer's phone number to be included within directory enquires and in the relevant BT telephone book for the area.

7 CPE

CPE can only be connected to the Network for the ISDN 30 Service using an approved connection point.

8 FAULT RESPONSE

8.1 The default fault response option for the ISDN 30 Service is Level 2.

9 TERMINATION OF THE ISDN 30 SERVICE

9.1 Where O2's supplier receives a valid order which relates to the line on which the ISDN 30 Service is provided from another telecommunications provider:

(a) the Customer will be deemed to have provided notice of termination of the ISDN 30 Service in accordance with clause 14.1 of the General Conditions with the exception that the 30 days' notice set out in clause 14.1 of the General Conditions may not apply; and

(b) O2 will terminate the ISDN 30 Service in accordance with the standard industry practices.

10 SERVICE LEVEL TARGETS

Provision new installation

10.1 O2 will aim to install new ISDN 30 Services in accordance with the target Service Levels set out below:

New Installations	Target Service Level from O2's acceptance of an order (Working Days)
ISDN 30	21

10.2 O2 will have all provision new supply orders completed and available for use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Provision transfer orders

10.3 O2 will have all provision transfer orders completed and available to use by midnight on the date notified to the Customer by O2 or on a later date agreed by both parties.

Fault response

10.4 O2 will clear a Failure of the ISDN 30 Service:

(a) if the Customer has Level 2 fault response, by the later of:

(i) 23.59 hours on the day (excluding Sundays, UK public and bank holidays) following the day on which the fault is treated as being reported in accordance with the Level 2 fault response; and

(ii) 23.59 hours on the appointment date agreed by both parties;

(b) if the Customer has Level 3 fault response, by the later of:

(i) 23.59 hours on the same day if the fault is treated as being reported in accordance with the Level 3 fault response on or before 12.59 hours; or no later than 12.59 hours on the next day if the fault is reported after 12.59 hours but within the working hours for the Level 3 fault response; and

(ii) 23.59 hours on the appointment date agreed by both parties;

(c) if the Customer has Level 4 fault response, by the later of:

(i) 6 hours from the fault report being received by O2; or

(ii) 23.59 hours on the appointment date agreed by both parties.

11 SERVICE LEVELS - COMPENSATION

If O2 fails to supply the ISDN 30 Service by the Target Delivery Date in accordance with paragraphs 10.2 and 10.3, the Customer shall be entitled to an amount equal to one month's rental charge per channel per affected channel, excluding any additional services.

APPENDIX ISDN 30 BOLT ONS

The following ISDN 30 Bolt Ons are standard ISDN 30 Bolt Ons that can be provisioned on the ISDN 30 Service

ISDN30 Bolt On	ISDN30e	ISDN30e DASS
Call Forwarding (O2 Controlled)	Y	N
Calling Line Identity Presentation (CLIP)	Y	Y
Calling Line Identity Restriction (CLIR)	Y	Y
Call Deflection	Y	N
Permanent Call Barring (Telefónica Controlled)	Y	Y
Presentation Number	Y	Y
Selective Call Barring (O2 Controlled)	Y	Y
Sub Addressing – 6 Octet	N	Y
Sub Addressing – 20 Octet	Y	N

The following ISDN 30 Bolt Ons are non-standard ISDN 30 Bolt Ons that can be provisioned on the ISDN 30 Service

ISDN30 Bolt On	ISDN30e	ISDN30 DASS
Anonymous Call Reject (ACR)	Y	Y
Call Barring (Customer Controlled)	N	Y
Call Barring - Indirect Access (O2 Controlled)	Y	Y
Call Diversion (O2 Controlled)	Y	Y
Call Diversion (Customer Controlled)	Y	N
Call Forwarding (Customer Controlled)	Y	Y
Channel Busy (Controlled Controlled)	N	Y
Connected Line Identity Presentation (COLP)	Y	N
Connected Line Identity Restriction (COLR)	Y	Y
Caller Redirect	Y	Y
Temporary Call Division (TCD)	Y	Y

FIXED SERVICE SCHEDULE CALLS ONLY SERVICE

The following additional terms and conditions apply to the provision of the Calls Only Service.

1 DEFINITIONS

In this Service Schedule, in addition to those terms defined in the General Conditions and the Fixed Terms the following terms and expressions apply:

“Another Service Provider” means a provider of telecommunications services, other than O2 within the United Kingdom; and

“Calls Only Service” means the service described in paragraph 2.

2 CALLS ONLY SERVICE

2.1 The Calls Only Service is an outbound calling service that allows customers to make direct dialled calls both in the United Kingdom and overseas.

2.2 The Calls Only Service supports voice calls to UK geographic numbers, mobile numbers, non-geographic numbers, premium rate numbers, international direct dial numbers, the emergency services and the operator. The Calls Only Service does not support other types of communication, including, but not limited to, transfers of GSM data, wifi data, SMS, MMS and GPRS.

3 FIXED SERVICE

The Calls Only Service is a “Fixed Service” and the Fixed Terms will apply to this Service.

4 AVAILABILITY

4.1 The Customer must have and maintain a fixed line with another operator, which is maintained by BT. If the line is provided by Another Service Provider that is not BT, then the Customer will need to ensure that the existing operator has not barred another operator from taking a “calls only” service.

4.2 The Calls Only Service is not available on:

(a) the following BT services:

- (i) Bill Direct;
- (ii) FeatureNet;
- (iii) FeatureLine; and
- (iv) Low User Scheme;
- (v) BT In-contact Plus;
- (vi) temporarily out of service lines;
- (vii) outgoing calls barred lines; and
- (viii) other services as may be identified by O2 from time to time.

5 USE OF CALLS ONLY SERVICE

5.1 The Customer will remain solely responsible for paying all charges levied by Another Service Provider in respect of the fixed line.

5.2 O2 has no responsibility for any limitations on the network of Another Service Provider which may affect provision of the Calls Only Service.

5.3 O2 may be unable to provide the Calls Only Service from time to time, for reasons including, but not limited to, Another Service Provider's processes, technical limitations in fixed networks, network outages and/or physical, meteorological or geographical conditions. O2 will not be liable where it is unable to provide the Calls Only Service in these circumstances.

6 FAULT RESPONSE

6.1 There is no fault response option for the Calls Only Service.

6.2 Any faults or any nuisance calls should be reported to the fixed line provider.

EQUIPMENT LEASE TERMS

The following additional terms and conditions apply to the provision by O2 of the Equipment Lease Service.

1 DEFINITIONS

In these Equipment Lease Terms, in addition to those terms defined in the General Conditions, the following terms and expressions apply:

“Equipment Lease Service” means the service whereby O2 hires Leased Equipment to the Customer for use with the Voice Services and other Mobile Services supplied by O2 pursuant to this Agreement and the Hire Agreement;

“Equipment Lease Terms” means this document entitled “Equipment Lease Terms”;

“Hire Agreement” means the Consumer Credit Act regulated contract that the Customer must sign or accept online before being able to use the Equipment Lease Service;

“Leased Equipment” means the mobile phone, laptop computer, netbook or tablet leased to the Customer under the Hire Agreement, and includes any accessories that the Customer receives as part of the Hire Agreement, such as chargers, cases or headsets;

“Satisfactory Condition” means that Leased Equipment is suitable for normal use, is in substantially the same condition that the Customer received it in from O2 and has not been modified, damaged or broken.

2 MOBILE SERVICE

The Equipment Lease Service must be taken in conjunction with the Voice Services and the Mobile Terms will apply to the Voice Services.

Clauses 3-8 intentionally left blank.

9 LEASED EQUIPMENT

9.1 The Customer is hiring the Leased Equipment from O2 and must return it to O2 on termination of the Equipment Lease Service and/or this Agreement by either party in the manner specified in clause 9.4 below. The Leased Equipment must be returned to O2 in a Satisfactory Condition such that it is received within 5 days of the termination of the Equipment Lease Service and/or this Agreement. The Customer must take adequate steps to look after the Leased Equipment and maintain it in a Satisfactory Condition.

9.2 If the Leased Equipment is defective, not in accordance with any description given to the Customer by O2, not reasonably fit for purpose or it develops a fault during the Minimum Period, the Customer may return it to O2 for repair and/or, at O2's option, replacement. The Customer should contact its O2 account manager or customer service for details of how to return the Leased Equipment. Alternatively, the Customer can contact the manufacturer for replacement or repair during the warranty period under the manufacturer's warranty service detailed in the User Guide(s).

9.3 If the Customer is in breach of its obligations in these Equipment Lease Terms O2 may charge the Customer for any reasonable costs or losses it incurs, including the following:

(a) Up to £335 exclusive of VAT if the Customer fails to return the Leased Equipment or fails to return it in Satisfactory Condition. The amount will depend on the actual condition of the Leased Equipment as explained in the table below (all pricing is exclusive of VAT);

(b) Up to £335 exclusive of VAT if the Customers fail to return the Leased Equipment within the relevant time in accordance with these Equipment Lease Terms;

(c) Interest on late payments as set out in paragraph 6.7 of the General Conditions; and

(d) A charge for O2's reasonable administration costs which result from the Customer's late or non-payment of Charges relating to the Leased Equipment.

(e) OBLIGATION TO UNLOCK MOBILE EQUIPMENT – This is applicable to all Customers signing up for or renewing the Equipment Lease Service after January 2014. If the Customer returns the Mobile Equipment to O2 with any security application that does not allow for the reuse or testing of the device or fails to unlock the Mobile Equipment prior to return, then the Customer agrees that the Mobile Equipment will be processed as non-viable and O2 reserves the right to charge the Customer as per column E in the table below. Security applications include those provided on the Mobile Equipment by the manufacturer.

9.4 In the event that the Customer needs to return the Leased Equipment, O2 will provide a postage-paid envelope for this purpose. However, O2 will not accept any liability for items lost or damaged in transit. O2 strongly recommends that the Customer uses recorded postage (Royal Mail Special Delivery or similar) which will provide insurance and the ability to track the item. The Customer must use the envelope provided for return of any Leased Equipment. In certain circumstances, for example in the event that the Customer is upgrading, the Customer may be able to return the Leased Equipment to an O2 retail shop.

9.5 The Service Commencement Date for the Equipment Lease Service will be the date on which O2 commences or moves the Customer onto the new Voice Services tariff as part of this Agreement.

9.6 The Minimum Period for the Equipment Lease Service is set out under “Period of Hire” in the Hire Agreement. That section explains how the Minimum Period can be extended. It also explains how the Customer can end the Equipment Lease Service at or after the end of the Minimum Period. The Equipment Lease Service can also be ended before or after the Minimum Period by either party in accordance with paragraph 14 of the General Conditions.

9.7 The Customer must take adequate steps to avoid loss, theft or unauthorised use of the Leased Equipment. If the Leased Equipment is lost, stolen, or damaged in a way that means it will not be able to be returned in Satisfactory Condition the Customer must notify O2 as soon as possible by calling 2302 from an O2 mobile device or 0844 875 2302 from a landline.

9.8 In the event that the Customer is in breach of these Equipment Lease Terms, O2 reserves the right to immediately suspend or terminate the Voice Services on notice in writing to the Customer and if the Customer is in breach of this Agreement O2 reserves the right to terminate the Hire Agreement.

9.9 In respect of iPhone 4 only, the Customer must take the mandatory insurance that is offered as part of the Equipment Lease Service. If the Customer cancels the insurance policy at any stage O2 will deem this to be a request to immediately terminate the Equipment Lease Service and all relevant Charges will become payable. If the Customer is still within the Minimum Period and cancels or does not pay for the mandatory insurance then paragraph 14.1 of the General Conditions will apply.

9.10 The Customer will not be able to change to a lower or higher value Voice Services tariff during the period in which the Customer takes the Equipment Lease Services.

10 EQUIPMENT LEASE SERVICE COOLING OFF PERIOD

10.1 The Customer may return the Leased Equipment to O2 and cancel the Equipment Lease Service up to 14 days after the Service Commencement Date. This is in addition to any statutory rights. The Customer must return it to either an O2 retail shop or through the methods described in O2's repair and returns policy. The Customer should check with its O2 account manager or call customer service for details of O2's repair and returns policy.

10.2 O2 will bear the reasonable postage costs of returning the Leased Equipment with original parts and the original packaging, as long as the Customer has followed the prescribed returns method, otherwise the Customer must bear the cost of returning the Leased Equipment to O2. O2 may charge the Customer the reasonable costs that O2 incurs in collecting any Leased Equipment which is not returned as required in this Agreement, which may be substantial. The Customer must make the Leased Equipment available for collection on O2's request.

10.3 If the Customer cancels the Hire Agreement, it may still be liable to O2 for the Charges for the Voice Services and Equipment Lease Services under this Agreement for the duration of the Minimum Period.

Condition category	A			B			C			D			E		
	4S	5	5S	4S	5	5S	4S	5	5S	4S	5	5S	4S	5	5S
Description of condition	Fully functional, in excellent cosmetic condition, i.e. No scratches or chips, no cracked casing/screen, broken/missing buttons, damaged ports. Battery is working. It is not water damaged. Has no connectivity/software issues or speaker problems.			Fully functional, in fair cosmetic condition. Fair cosmetic condition includes, cracked casing, heavily scratched back cover, cracked/damaged screen cover and broken buttons. No sound or distorted sound. Water damage sensor indicates water damage, but unit is still fully functional. Volume control buttons or knobs that do not function properly. Casing/screen cover is visibly cracked or fractured - unit fully functions. A single missing part including battery, back cover, front cover & speaker.			Unit has some operational and cosmetic faults - is functioning. Won't connect to wifi or phone network. Headphone jack and sim card port do not function when plugged in. Casing is visibly separated at seams, or housing not complete. Multiple missing parts including battery, back cover, front cover and speaker.			Is not functional, or has excessive cosmetic damage. Backlight is dim, but 100% fully functional. Touch screen/LCD damaged. Freezes. Won't start up or any software component failing. ON/OFF and other major controls do not function. Non-functioning power port. Unit cannot be charged. Any crack or fracture on the glass touchscreen.			Crushed, smashed, broken in half. Stolen - as indicated by Home Office database. Fake device/IMEI label missing or non genuine parts used in any repair including front screen, back cover, camera module. Beyond physical repair. Non return of the device.		
Charge for iPhone 16GB	No charge	No charge	No charge	£65	£70	£59.25	£130	£135	£118.50	£100.59	£190	£195	£250	£255	£237
Charge for iPhone 32GB	No charge	No charge	No charge	£75	£75	£69.25	£150	£150	£138.50	£118.50	£220	£220	£290	£290	£277
Charge for iPhone 64GB	No charge	No charge	No charge	£85	£85	£79	£170	£170	£158	£118.50	£250	£250	£335	£335	£316
Samsung S4	No charge			£50.63			£101.25			£151.88			£202.50		
Nokia 925	No charge			£24.40			£48.75			£73.20			£97.50		
Asus Vivo Tab Smart 4G	No charge			£28.20			£56.25			£84.38			£112.50		