

Bottomline Payment Services Limited – Hosted Services Master Buyer Agreement for G-Cloud 15

The Agreement is made and entered into by and between (i) Bottomline Payment Services Limited a company registered in England and Wales (Registration number: 3986072) whose registered office is at 1600 Arlington Business Park, Theale, Reading, Berkshire, England, RG7 4SA and who is regulated and authorised by the Financial Conduct Authority of the United Kingdom under the Payment Service Regulations (register reference: 616279) for the provision of payment services and as an “Account Information Services Provider” (AISP) and as a “Payment Initiation Service Provider” (PISP) (“**Supplier**”) and (ii) the “**Buyer**” named in any fully executed G-Cloud 15 Call-Off Contract.

The agreement is made up of the following documents (collectively the “**Agreement**”), and in the event of any conflict between the provisions of the Agreement the following shall be the order of precedence (highest level of precedence first):

1. the applicable Annexes to the Product Schedules;
2. the applicable Product Schedules;
3. these Terms and Conditions;
4. the Mandatory Terms;
5. the Privacy Terms referenced in Clause 11.3;
6. any applicable Statement of Work; and
7. the SLA.

The Agreement forms part of the G-Cloud 15 Call-Off Contract in accordance with the G-Cloud 15 Framework Agreement and CCS General Terms.

1. Interpretation

- 1.1 For the purposes of the Agreement, the following words and phrases shall have the following meanings:

“**Annex**” means an annex to a Product Schedule containing supplementary terms and conditions;

“**Applicable Law**” means all applicable statutes, by laws, ordinances, subordinate legislation and other laws, including any judicial or administrative interpretation of them, in force from time to time in the United Kingdom;

“**AUDDIS**” means Automated Direct Debit Instruction Service provided by Bacs;

“**Authorised Payment Institution**” means a company authorised by the FCA in accordance with regulation 2(1) of the payment services regulations 2017 (SI 2017/752) to carry out regulated activities;

“**Authorised Users**” means those employees, agents and independent contractors of the Buyer who the Buyer has authorised to access and use Supplier Solutions;

“**Bacs**” means Bacs Payment Schemes Limited, a company registered in England and Wales with company number 04961302, whose registered address is at The White Chapel Building, 10 Whitechapel High Street, London, United Kingdom, E1 8QS (or its successor);

“**Supplier IPR**” has the meaning given to it in Clause 9.1;

“**Supplier Infrastructure**” means Supplier’s hardware, communications infrastructure (including the Equipment) and programs (including Software) directly used for the provision of Subscription Services, excluding any Supplier internal infrastructure and systems;

“**Supplier Solutions**” means Subscription Services, Professional Services, Software, Equipment and/or Product Documentation (as applicable);

“**BTL**” means Supplier Technologies Limited a company registered in England and Wales (number 8098450) whose

registered offices are at 1600 Arlington Business Park, Theale, Reading, Berkshire, England, RG7 4SA;

“**Business Day**” means a day other than Saturday, Sunday or a public holiday in England when banks in London are open for business;

“**Confidential Information**” means all information (in any form) that is proprietary, non-public and/or confidential in nature in relation to the disclosing party (or its Group Companies) and (i) is clearly labelled or otherwise identified as confidential, or (ii) from its nature and/or the circumstances of its disclosure it is reasonable to infer that it is confidential information. Confidential information excludes any information: (i) the receiving party can prove was in its possession or in the public domain prior to it being received or obtained from the disclosing party; (ii) the receiving party lawfully or properly obtains without obligation of confidentiality; (iii) that comes into the public domain otherwise than through the default or negligence of the receiving party; or (iv) the receiving party can prove was independently developed by the receiving party without reference to the confidential information of the other party;

“**CoP**” means Confirmation of Payee;

“**CoP Verification**” means a single Search via a Subscription Service using one (1) Transaction for the Pay.uk Confirmation of Payee service to verify that a single United Kingdom bank account and sort code combination, or secondary reference number, bank account and sort code combination, exists, is open and matches the account holder’s name.

“**Buyer**” means the legal entity (including registered company, public body, or financial institution) or a person specified in the Order Form;

“**Buyer Data**” means all data uploaded by the Buyer to the Subscription Services (excluding any Supplier IPR);

“**Buyer Infrastructure**” means the Buyer’s (or its third party provider’s) hardware, software and communication lines required to link to the Supplier Infrastructure in order to access the Subscription Services;

“**Buyer IPR**” means Intellectual Property Rights (i) owned by the Buyer before the Effective, and/or (ii) created by the Buyer (or on the Buyer’s behalf) independently of the Agreement, and in each case excluding any Supplier IPR;

“**Buyer Personal Data**” has the meaning given to it in the Privacy Terms;

“**Data Protection Laws**” has the meaning given to it in the Privacy Terms;

“**Due Diligence**” has the meaning given to it in Clause 5.4;

“**Effective Date**” means the last date of signature by either party of the first Order Form made pursuant to these Terms and Conditions;

“**Equipment**” means any hardware supplied by or on behalf of Supplier to the Buyer;

"Fees" means the charges, including monthly and annually recurring charges, payable by the Buyer to Supplier in respect of Supplier Solutions and Supplier Infrastructure, as set out in an Order Form;

"FCA" means the UK Financial Conduct Authority (or its successor);

"FPSL" means Faster Payments Scheme Limited, a company registered in England and Wales with company number 07751778, whose registered address is at The White Chapel Building, 10 Whitechapel High Street, London, United Kingdom, E1 8QS (or its successor);

"Group Companies" means the relevant party, its subsidiaries and holding companies from time to time and any subsidiary of any holding company from time to time, where a reference to a holding company or a subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006;

"Initial Term" means the initial minimum term for the provision of Supplier Solutions as specified in an Order Form;

"Intellectual Property Rights" means copyright, patent rights, design rights, database rights, trade marks, domain names and all similar or equivalent rights or forms of protection whether registered or unregistered and which subsist or will subsist now or in the future in any part of the world;

"Licence Metrics" means the limited number of users and/or other units (where applicable) relevant to the Subscription Services and/or Software, as further described in a Product Schedule and Order Forms;

"Mandatory Terms" means third-party (including PNP) flow-down terms and conditions set out in www.bottomline.com/uk/product-terms-conditions/mandatoryterms

"Order Effective Date" has the meaning given to it in Clause 3.1;

"Order Form" or "Order Agreement" means a document entered into pursuant to these Terms and Conditions, which specifies the Supplier Solutions and their associated Fees;

"Pay.uk" means Pay.uk Limited, a company registered in England and Wales with company number 10872449, whose registered address is at The White Chapel Building, 10 Whitechapel High Street, London, United Kingdom, E1 8QS (or its successor);

"Payment Network Provider" or "PNP" means FPSL, Bacs, Pay.uk, SWIFT, Buyer's banks, Buyer client's banks or otherwise a third party operating or connecting to a payment and/or settlement scheme;

"PCI-DSS" means the Payment Card Industry Data Security Standard;

"Personal Data" has the meaning given to it by Data Protection Laws;

"PNP Requirements" means all necessary licences, permits, authorisations, consents and agreements required to connect to or use the PNP networks or services;

"Privacy Terms" means the terms referenced in Clause 11.3;

"Product Documentation" means the documentation made available by Supplier as amended from time to time, which sets out user instructions and description of the Subscription Services, Software and/or Equipment;

"Product Schedule" means a schedule for the relevant Supplier Solution being supplied under an Order Form;

"Professional Services" means those services set out in an Order Form and described therein as "professional services" supplied under the Agreement, including but not limited to consultancy, implementation and training;

"Renewal Period" has the meaning given to it in Clause 2.2;

"Search" means a request for data for the purposes of Validation or Confirmation of Payee search;

"SLA" means the current version of the supplementary terms applicable to the relevant Product Schedule and/or specific Subscription Services and entitled "Service Level Agreement - [product name] Hosted Services" available at <https://www.bottomline.com/uk/product-terms-conditions>

"Software" means any user interface and/or other software module licensed under the Agreement and its documentation provided to the Buyer as part of the Subscription Services, including, but not limited to, any related application programming interfaces, associated media, online or electronic documentation (including the applicable Product Documentation), Templates and any updates that may be made available by Supplier from time to time;

"Statement of Work" or "SOW" means a document specifically referenced in an Order Form which provides further details of the Professional Services to be provided. For the avoidance of doubt, where the Order Form does not reference a Statement of Work, the Order Form shall itself be deemed to be the Statement of Work (where applicable);

"Subscription Services" means the specific subscription-based service(s) as specified in an Order Form, provided to the Buyer via the Supplier Infrastructure;

"SWIFT" means The Society for Worldwide Interbank Financial Telecommunication whose head office is located at Avenue Adele 1, B-1310 La Hulpe, Belgium (or its successor);

"Template" means a single document configuration provided by Supplier to the Buyer for use with the Subscription Service; and

"Terms and Conditions" means these terms and conditions;

"Transaction" means a single credit, debit, refund, Validation, CoP Verification or AUDDIS instruction issued or a single debit displayed using the Subscription Services; and

"Validation" means a single Search, via a Subscription Service using one (1) Transaction to confirm that a single United Kingdom bank account and sort code combination and related bank branch should exist.

1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of the Agreement.

1.3 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and a reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.

1.4 Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular, and a reference to one gender shall include a reference to the other gender.

1.5 The Agreement shall be binding on, and enure to the benefit of, the parties to the Agreement and their successors and permitted assigns, and references to any party shall include that party's successors and permitted assigns.

1.6 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and

shall include all subordinate legislation made from time to time under that statute or statutory provision.

- 1.7 A reference to **writing** or **written** includes email.
- 1.8 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.9 A reference to **the Agreement** or to any other agreement or document referred to in the Agreement is a reference of the Agreement or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of the Agreement) from time to time.
- 1.10 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. Term

- 2.1 The Agreement shall commence on the Effective Date and continue until terminated in accordance with Clause 16.
- 2.2 Unless otherwise stated, each Order Form and Subscription Services term shall commence on the Order Effective Date and remain in force for the Initial Term. Thereafter, each Order Form and related Subscription Services shall automatically renew for successive periods of twelve (12) months ("**Renewal Period**") unless terminated in accordance with Clause 16.
- 2.3 Subject to Clause 16, an SOW shall be deemed expired at the earlier of: (i) the expiry date set out in an SOW, or (ii) when the delivery of Professional Services have been completed.

3. Order Forms and Schedules

- 3.1 The Buyer may procure Supplier Solutions by agreeing an Order Form with Supplier. An Order Form shall only be binding at once signed by an authorised representative of each party (the "**Order Effective Date**"). For the avoidance of doubt, all Order Forms made pursuant to these Terms and Conditions shall be governed by and form a part of the Agreement.
- 3.2 Each Product Schedule (and the applicable Annexes) shall apply as further described therein.

4. Supplier's Responsibilities

- 4.1 Subject to the Buyer's compliance with the terms and conditions of the Agreement and payment of applicable Fees, Supplier shall provide the Buyer with Supplier Solutions in accordance with the Agreement.
- 4.2 Where required, Supplier shall carry out the necessary initial on-boarding services to set up and configure the Subscription Services as further described in an SOW (where applicable). Unless otherwise agreed in an Order Form, any Professional Services required by the Buyer to implement updates or new versions of the Software is chargeable.
- 4.3 Supplier will perform the services in a professional and workmanlike manner, using reasonable care and skill.
- 4.4 Supplier shall provide support for the Subscription Services and Software in accordance with the SLA at the applicable support level to which the Buyer has subscribed. Supplier shall provide support for the current and one prior version of the Software only
- 4.5 Supplier reserves the right to amend or upgrade the Supplier Solutions and/or Supplier Infrastructure from time to time. Subject to Clause 15.1(b), Supplier will undertake such

amendments or upgrades in accordance with the maintenance schedules set out in the applicable SLA.

- 4.6 If Professional Services are ordered by the Buyer, Supplier shall deliver such Professional Services to the Buyer in accordance with the applicable SOW.
- 4.7 The dates for delivery of Professional Services, Equipment and initial delivery of other Supplier Solutions are approximates only and time is not of the essence. Supplier will not be liable in any circumstances for the consequences of any delay in delivery of Professional Services, Equipment and initial delivery of other Supplier Solutions.
- 4.8 If Supplier personnel attend the Buyer's premises, Supplier shall procure that they comply with any reasonable safety and security policies applicable to the Buyer's site and made known to Supplier by the Buyer, from the point at which they were made known to Supplier.

5. Buyer's Responsibilities

- 5.1 The Buyer shall:
 - (a) undertake all Buyer responsibilities set out in the Agreement in a timely and efficient manner;
 - (b) provide all reasonable co-operation and information as requested by Supplier in relation to the Agreement;
 - (c) provide all reasonable access to the Buyer's premises and Buyer Infrastructure as requested by Supplier (including access required by Supplier to inspect any Equipment) for the provision of Supplier Solutions;
 - (d) provide, maintain and ensure that the Buyer Infrastructure complies with the relevant specifications provided by Supplier from time to time;
 - (e) be solely responsible for procuring and maintaining its network connections and telecommunications links from Buyer Infrastructure to Supplier Infrastructure;
 - (f) procure and maintain the PNP Requirements and promptly notify Supplier and the relevant PNP of any non-compliance;
 - (g) ensure that access to Supplier Solutions and/or Supplier Infrastructure are restricted to Authorised Users only and all Authorised Users are notified of the Buyer's obligations under the Agreement;
 - (h) advise Supplier of any changes in any named Authorised Users who have access to Supplier Solutions and/or Supplier Infrastructure;
 - (i) use all reasonable endeavours (including security software) to prevent any distribution of malicious code and/or unauthorised access to Supplier Solutions and/or Supplier Infrastructure. In the event of any such distribution or unauthorised access, the Buyer shall promptly notify Supplier;
 - (j) ensure that all devices used by the Buyer to access Supplier Solutions and/or Supplier Infrastructure are placed in a secure location and accessible only by Authorised Users, and that such devices are secured when not in use through reasonable security procedures;
 - (k) change the Buyer's user passwords on a regular basis in accordance with good industry practice, or sooner when prompted to within the Subscription Services;
 - (l) promptly deactivate Authorised User accounts where an Authorised User is no longer required to access the Subscription Services;

- (m) use all reasonable endeavours to advise Supplier in advance of any known or expected significant increases in Subscription Services usage or daily message traffic volumes; and
 - (n) ensure that in the event Buyer's personnel attend Supplier premises, procure that they comply with any reasonable safety and security policies applicable to Supplier's site and made known to the Buyer by Supplier, from the point at which they were made known to the Buyer.
- 5.2 The Buyer shall not:
- (a) do or permit anything to be done which will compromise or affect the security of Supplier Solutions or Supplier Infrastructure;
 - (b) permit Supplier Solutions to be combined with or become incorporated in any other software or service;
 - (c) subject to Clause 9.2, license, sell, rent, lease, transfer, assign, distribute, display, disclose, commercially exploit, or otherwise make Supplier Solutions available to any third parties; or
 - (d) abuse or make unlawful use of Supplier Solutions including fraudulent use.
- 5.3 The Buyer acknowledges that the Subscription Services may enable or assist the Buyer to send files and instructions to PNPs. Reports provided by the Subscription Services are for information purposes only and should not be used for payment reconciliation. The Buyer should only rely on reports from the PNP for payment reconciliation.
- 5.4 Supplier shall carry out checks to ensure that the Buyer meets its know-your-customer and anti-money laundering requirements and any other checks Supplier deems necessary to confirm that it may legally provide the Services to the Buyer, and that the Buyer satisfies Company's risk appetite ("**Due Diligence**"). These checks shall be carried out prior to providing Supplier Solutions when the Buyer is first on-boarded by Supplier and then as determined necessary by Supplier thereafter. In the event that Supplier determines that the results of the Due Diligence are not satisfactory, then Supplier, at its sole discretion may either:
- (a) require the Buyer to take such steps as are necessary to meet its Due Diligence criteria,
 - (b) suspend the Buyer's access to the Services, or
 - (c) terminate this Agreement.
- 5.5 The Buyer shall cooperate with Supplier and provide all information reasonably required by Supplier for all ongoing Due Diligence the frequency to be as reasonably requested by Supplier, and shall inform Supplier immediately if any person connected with it is a person that is:
- (a) listed on, or owned and controlled by a person on any sanctions list,
 - (b) located in or incorporated under the laws of or owned or controlled by or acting on behalf of a person located in or incorporated under the laws of a country or territory which is the subject of sanctions legislation; or
 - (c) otherwise the target of sanctions legislation.
- 6. Provision of Equipment**
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- 6.1 If Equipment is specified in an Order Form and requires installation, use or maintenance at a Buyer site, then the Buyer shall:
- (a) carry out all preparatory work to allow Supplier to undertake the installation or maintenance services; and
 - (b) at its own cost and expense provide: (i) suitable space and environmental conditions for the Equipment, and (ii) all necessary services at the site for the installation, use and maintenance of the Equipment including, for fixed line services, an adequate power supply, lighting, security and equipment bonding with associated earthing.
- 6.2 Supplier shall deliver the Equipment to the delivery address specified in the Order Form. Delivery of the Equipment shall be completed on the completion of unloading of the Equipment at the delivery address. Risk in the Equipment shall pass to the Buyer upon dispatch.
- 6.3 Supplier retains title in all Equipment provided under the Agreement. The Buyer shall: (i) adequately insure the Equipment against risk of loss and damage; and (ii) notify in writing any persons who may be entitled to a charge, security or any other right over the property of the Buyer that the Equipment is not the property of the Buyer.
- 6.4 Upon termination or expiration of the applicable Order Form, at Buyer's cost and Supplier's sole discretion: (i) Supplier shall be entitled forthwith to remove Equipment from the premises of the Buyer and the Buyer shall provide all reasonable access to its premises; or (ii) Buyer shall return the Equipment to Supplier.
- 7. Fees and Payments**
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- 7.1 The Buyer agrees to enter into a direct debit mandate in favour of Supplier in respect of all fees specified in an Order Form and as may be varied by Supplier pursuant to Clause 7.4, which shall be collected by Supplier in accordance with this Clause 7 (unless stated otherwise herein) within the first month from the Order Effective Date.
- 7.2 The first year's provision of annual Subscription Services shall commence on the Order Effective Date to the Buyer and the fees shall be collected calendar monthly in arrears, annually in advance, or as a one-time fee, as applicable and specified in an Order Agreement. Where the Buyer uses the Subscription Services for any part of a month, the minimum monthly service charge will still apply. The annual Subscription Services shall be automatically renewed after the Initial Term for further annual periods and charged at the same frequency, unless terminated by either party in accordance with Clause 16.2.
- 7.3 Time for payment shall be of the essence of the Agreement. Unless otherwise stated in the Product Schedule, the Buyer shall pay Supplier all Fees set out in an Order Form, or as otherwise due under the Agreement, no later than thirty (30) days from the date of Supplier's invoice. Where more than one Product Schedule applies or the Buyer has procured multiple Supplier Solutions, Supplier may issue separate invoices.
- 7.4 Commencing in year two (2) of any term for the provision of Supplier Solutions, Supplier reserves the right to increase Fees annually. Such increase shall be by an amount calculated at the percentage change in UK RPI over the twelve (12) month period to the end of January each year as published by the Office for National Statistics, plus three percent (3%).
- 7.5 Professional Services shall be charged at the rate(s) specified in an Order Agreement and will be invoiced as delivered.
- 7.6 All sums payable hereunder are payable in pounds sterling and exclusive of value added tax and any other applicable taxes or duty, which shall be added to Supplier's invoice(s) at the appropriate rate. The Buyer shall pay for any taxes, duties or levies which Supplier is required by law to collect.

- 7.7 If the Buyer is required by law to deduct any amount from the amounts to be paid to Supplier under the Agreement on account of withholding taxes or any other taxes or levies of any kind, the Buyer shall pay all such additional amounts so that the net amounts received by Supplier are the amounts specified on the invoice. To the extent that any withholding tax is payable, Supplier and the Buyer shall mutually collaborate and provide reasonable assistance requested to obtain the benefits of any applicable tax treaty between the country where Supplier is located and the applicable jurisdiction where the withholding tax is applied. All amounts due under the Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding tax.
- 7.8 The Buyer acknowledges that any un-used Transactions remaining upon expiry of any month or annual period may not be carried forward for use in a subsequent month or annual or periods and are not refundable.
- 7.9 Where an Order Agreement specifies unlimited usage at a specified Transaction rate Supplier shall collect fees at the specified rate monthly in arrears for Transactions used for the duration of this Agreement. Where the Buyer has used all acquired Transactions prior to expiry of any then current month, Supplier shall collect all fees for subsequent Transactions monthly in arrears at the per Transaction rate specified in an Order Agreement until renewal of annual Subscription Services for a further annual period in accordance with Clause 2.2 above (or for the preceding month as applicable).
- 7.10 In the event that a PNP or any competent legislative or regulatory authority introduces any mandatory change which requires modification to Supplier Solutions and/or Supplier Infrastructure, then Supplier shall be entitled to revise the Fees to cover the additional costs of such change.

8. Warranties

- 8.1 Each party warrants that it:
- (a) shall comply with Applicable Laws relevant to such party (including the Bribery Act 2010, Criminal Finances Act 2017 and the Modern Slavery Act 2015) in carrying out its obligations under the Agreement;
 - (b) has all necessary licences, permits, authorisations and consents required for the performance of its obligations under the Agreement; and
 - (c) shall use commercially available IT security software to protect its IT infrastructure.
- 8.2 The Buyer warrants that it:
- (a) is solely responsible for and liable in respect of all access to and use of Supplier Solutions through the Buyer's login and password and shall ensure that private login names, passwords and other Confidential Information remain confidential; and
 - (b) shall comply with the Mandatory Terms, which may be amended by Supplier from time to time.
- 8.3 Supplier warrants that:
- (a) the Software shall materially conform to their Product Documentation for a period of ninety (90) days from the relevant Order Effective Date; and
 - (b) the Equipment shall be free from material defects in materials and workmanship on delivery.
- 8.4 The Buyer's sole and exclusive remedy in the event of breach of the warranties in Clause 8.3 (as reasonably determined by Supplier) is the correction of any failure by Supplier to comply

with such warranty provisions. Correction may comprise, at Supplier's sole discretion, replacing, repairing or adjusting Software and/or Equipment without charge to the Buyer or refunding a portion of paid fees for any remaining un-used period. All remedies for any breach of the warranty provisions are available only if such breach is reported to Supplier in writing within ninety (90) days from the relevant Order Effective Date.

- 8.5 The limited warranties given by Supplier in this Clause 8 are made only to the Buyer, and Supplier will have no liability to any third party with respect to the Subscription Services, Software and/or Equipment as a result of such warranties.

9. Intellectual Property Rights

- 9.1 The Buyer acknowledges and agrees that:
- (a) Supplier and/or its licensors own all Intellectual Property Rights in the Supplier Solutions, Supplier Infrastructure, Supplier's trademarks, deliverables and any other Intellectual Property Rights in materials provided or produced by Supplier under the Agreement including but not limited to all copies, modifications, translations, enhancements or derivations thereof (collectively "Supplier IPR");
 - (b) except as expressly stated in the Agreement, Supplier does not grant the Buyer any rights to, or in, Supplier IPR; and
 - (c) Supplier IPR may be covered by, in particular, but not limited to, one or more of the patents listed at <https://www.bottomline.com/us/Supplier-patent-marking-information>
- 9.2 Subject to the terms and conditions contained in the Agreement and Buyer's payment of applicable Fees, Supplier hereby grants to the Buyer a non-exclusive, non-transferable licence without rights to sublicense, for so long as the relevant Order Form remains in force, to permit its Authorised Users to use Supplier Solutions (as applicable) for its day to day business purposes (including provision of services to Buyer Group Companies) and only in accordance with the Product Documentation and Licence Metrics. Notwithstanding the foregoing, unless specified otherwise in a Product Schedule, the Buyer shall not (i) permit any direct access to Supplier Solutions by any Buyer Group Companies or other third parties; and (ii) use the Supplier Solutions and/or Documentation to provide services to third parties (other than Buyer Group Companies).
- 9.3 Save from the extent permitted under the Agreement and Applicable Law (irrespective of the limitations contained herein) the Buyer will not otherwise copy, translate, modify, adapt, decompile, disassemble or reverse engineer, duplicate, create derivative works from, frame, mirror, republish, download, display, transmit, or distribute Supplier IPR.
- 9.4 The Buyer grants Supplier (and Supplier Group Companies) a non-exclusive, non-transferable and royalty-free licence during the term of the Agreement to use Buyer's IPR and Buyer Data to the extent required by Supplier (and Supplier Group Companies) for the provision of Supplier Solutions and otherwise to perform Supplier's obligations under the Agreement. Buyer retains all right, title, and interest in and to Buyer IPR.

10. Indemnity

- 10.1 Supplier shall, subject to Clause 10.3, defend and indemnify the Buyer against claims, actions, proceedings, losses, damages, expenses and costs (including court costs and reasonable legal fees) suffered or incurred or paid by the Buyer arising out of or in connection with any claim brought against the Buyer by any third party in respect of any claim or action that the use of Supplier Solution infringes the Intellectual Property Rights of that third party.
- 10.2 The Buyer shall, subject to Clause 10.3, defend and indemnify Supplier (and Supplier Group Companies) against claims, actions, proceedings, losses, damages, expenses and costs (including court costs and reasonable legal fees) suffered or incurred by Supplier (and/or any member of Supplier Group Companies) arising out of or in connection with:
- (a) any claim or action that the use by Supplier (and/or Supplier Group Companies) of the Buyer's materials or any part or any modifications, enhancements or alterations thereto infringes any third party Intellectual Property Rights; and
 - (b) the contents of a message or file sent from Buyer Infrastructure.
- 10.3 If a party (the "**Indemnifying Party**") is required to defend and indemnify the other party (the "**Indemnified Party**") under this Clause 10, the Indemnified Party shall:
- (a) notify the Indemnifying Party in writing of any claim against it in respect of which it wishes to rely on the indemnity ("**Claim**") as soon as is reasonably possible;
 - (b) allow the Indemnifying Party, at its own cost, to conduct all negotiations and proceedings and to settle the Claim, always provided that the Indemnifying Party shall obtain the Indemnified Party's prior approval of any settlement terms, such approval not to be unreasonably withheld;
 - (c) provide the Indemnifying Party with such reasonable assistance regarding the Claim as is required by the Indemnifying Party, subject to reimbursement by the Indemnifying Party of the Indemnified Party's reasonable costs so incurred; and
 - (d) not, without prior consultation with the Indemnifying Party, make any admission relating to the Claim or attempt to settle it, provided that the Indemnifying Party considers and defends any Claim diligently, using competent counsel and in such a way as not to bring the reputation of the Indemnified Party into disrepute.
- 10.4 In the defence or settlement of any Claim, Supplier may procure the right for the Buyer to continue using the Supplier Solution, or replace or modify the Supplier Solution without any material reduction or alteration in functionality so that they become non-infringing, or terminate the relevant Order Form and refund any prepaid unused portion of the Fees.
- 10.5 In no event shall Supplier, its employees, agents and subcontractors be liable to the Buyer under Clause 10.1 to the extent that the alleged infringement arises out of or in connection with:
- (a) a modification of Supplier Solution by anyone other than Supplier;
 - (b) the Buyer's use of Supplier Solutions in a manner contrary to Supplier's instructions;
 - (c) the Buyer's use of Supplier Solutions after notice of the alleged or actual infringement from Supplier or any appropriate authority;

- (d) the Buyer's combination of Supplier Solutions with any other equipment or software not approved by Supplier in writing; and/or
 - (e) intellectual property rights owned by Buyer or Buyer Group Company (or its third party licensors).
- 10.6 Subject to Clause 13, this Clause 10 states the Buyer's sole and exclusive remedy in the event that the Buyer's use of Supplier Solutions infringes the Intellectual Property Rights of any third party.
- 10.7 For the avoidance of doubt, where the Buyer is provided with Managed Payment Services, as specified in an Order Form, the indemnities in the Managed Payment Services Product Schedule will apply.
- 10.8 For the avoidance of doubt, these indemnities shall continue in force indefinitely following termination or expiration of the Agreement for whatever reason.

11. Buyer Data and Data Protection

- 11.1 The Buyer shall own all right, title and interest in and to all Buyer Data and the Buyer shall have sole responsibility for the legality, reliability, integrity, accuracy and quality of the Buyer Data.
- 11.2 Unless otherwise stated in Supplier's then current data retention policy and the Privacy Terms, Supplier shall retain Buyer Data for as long as is required for the purposes of the specific service, including as required under any statutory and regulatory retention periods.
- 11.3 The parties shall, in provision and use of Supplier Solutions, comply with Supplier's then current Privacy Terms published at <https://www.bottomline.com/uk/privacy/current-gdpr-data-privacy-terms> the currently published version of which is deemed incorporated into these Terms and Conditions.

12. Confidentiality and Publicity

- 12.1 Each party undertakes that it shall not at any time during the term of the Agreement, and for a period of five (5) years after termination of the Agreement, disclose any Confidential Information, except as permitted by Clauses 12.2 and 12.3.
- 12.2 Each party may disclose the other party's Confidential Information:
- (a) to its and its affiliates employees, officers, representatives, subcontractors or advisers who need to know such information provided that such employees, officers, representatives, subcontractors or advisers to whom it discloses the other party's Confidential Information are bound by equivalent confidentiality undertakings as this Clause 12; and
 - (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- 12.3 Both parties hereby agree that the Agreement, in whole or parts, may be disclosed to Supplier's third-party providers (subject to maintenance of confidentiality) as required to maintain accreditation and supply of Supplier Solutions.
- 12.4 Each party will have the right to disclose the relationship created by the Agreement on each party's respective website and in press releases and other media, specific content to be mutually agreed in writing in advance by the parties. Each party hereby grants to the other party, the right to reproduce and display the other's logos, trademarks, trade name and other similar identifying material on a royalty free, non-exclusive basis for this purpose.

13. Limitation of Liability

- 13.1 This Clause sets out the entire financial liability of the parties and includes liability in contract, tort (including negligence), breach of statutory duty or otherwise, arising out of or in connection with the Agreement.
- 13.2 Nothing in the Agreement limits any liability for:
- (a) death or personal injury caused by negligence;
 - (b) fraud or fraudulent misrepresentation;
 - (c) breach of the terms implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession); and
 - (d) any other liability which cannot be legally limited.
- 13.3 Subject to Clause 13.2, the following types of loss are wholly excluded by Supplier:
- (a) loss of profits;
 - (b) loss of sales, business or business opportunity;
 - (c) loss of agreements or contracts;
 - (d) loss of anticipated savings;
 - (e) loss of or damage to goodwill;
 - (f) loss of or corruption of data or information; and
 - (g) indirect or consequential loss (including loss or damage suffered by the Buyer as a result of any action brought by a third party).
- 13.4 Subject to Clauses 13.2, 13.3, and 13.5, Supplier's total aggregate liability in contract, tort (including negligence), misrepresentation, restitution, breach of statutory duty or otherwise, arising out of or in connection with the Agreement (including all Order Forms):
- (a) for damage to the tangible property of the Buyer shall not exceed £1,000,000;
 - (b) under Clause 10.1 shall not exceed £2,000,000;
 - (c) under Clause 11.3, shall not exceed an amount equivalent to two hundred percent (200%) of the total Fees received by Supplier from the Buyer under the Agreement in the twelve (12) months immediately preceding the first incident giving rise to such liability; and
 - (d) for all other liabilities which do not fall within sub-Clauses 13.4 (a) to (c), shall not exceed the greater of £25,000 or an amount equivalent to one hundred and twenty-five percent (125%) of the total Fees received by Supplier from the Buyer under the Agreement in the twelve (12) months immediately preceding the first incident giving rise to such liability.
- 13.5 Subject to Clause 13.2, Supplier shall not be liable to the Buyer for any loss or damage (or any other liability) arising out of or in connection with:
- (a) defects, errors, delays, non-performance or unavailability of Buyer Infrastructure, third party systems, external networks (including the Internet and networks operated by PNP) or any equipment, software or infrastructure not supplied or operated by Supplier;
 - (b) results obtained, and conclusions drawn, by the Buyer from the use of Supplier Solutions;
 - (c) any information, instructions or scripts provided by the Buyer, PNP or any other third party (or the accuracy thereof), or any actions taken by Supplier at the Buyer's direction;
 - (d) the use of Supplier Solutions in a manner, or combination with any equipment and/or software, not approved by Supplier in writing;
 - (e) any third-party content or use of, or correspondence with, any third parties, PNPs or interfaces (such as SWIFT or banks) via

- (f) Supplier Solutions, or any transactions completed, and any contract entered into by the Buyer, with any such third party;
 - (f) defects, errors, delays, non-performance or unavailability of Supplier Solutions due to the service, repairs maintenance, upgrades, modification, alterations or replacement of the Buyer's equipment or hardware forming part of the Buyer's equipment of whatever nature;
 - (g) any illegal or unauthorised access to, or release of any information, data or message from any environment or device whatsoever not under Supplier's control or that of its contractors connecting to Supplier Solutions; and/or
 - (h) any regulatory fine imposed on the Buyer for its breach of any law or any regulation, including a breach of Data Protection Laws (for the avoidance of doubt, Supplier will be responsible for any regulatory fine imposed on Supplier for Supplier's breach of Applicable Law).
- 13.6 Subject to Clause 13.2, except as expressly set out in the Agreement all warranties, representations, conditions and all other terms of any kind whatsoever implied by statute, common law, or otherwise are, to the fullest extent permitted by law, excluded from the Agreement.

14. Compliance and Audit

- 14.1 The Buyer acknowledges and agrees that Supplier Solutions may be subject to export control laws and regulations of the United Kingdom, United States, EU and nation(s) where the Buyer is based or operates in. The Buyer shall comply with all applicable export laws, restrictions and regulations of the Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, and any other United States, European Union, Singapore or other agency or authority and shall not, nor allow others to, without prior appropriate government authorisation, import, export, re-export, or transfer any services, technology or information it obtains pursuant to the Agreement, either directly or indirectly, to any country subject to a U.S. trade sanction or embargo or to any resident or national of any such country, or to any person or entity listed on the "Entity List" or "Denied Persons List" maintained by the U.S. Department of Commerce or the list of "Specifically Designated Nationals and Blocked Persons" maintained by the U.S. Department of Treasury, or the Department of State's Debarred Parties List, as published and revised from time to time, or any other comparable European or local regulations. In addition, any Supplier Solutions may not be imported, exported, re-exported, or transferred to anybody known or suspected to be engaged in activities related to weapons of mass destruction including, without limitation, any nuclear, chemical or biological weapons, missile technology, or military end-uses where prohibited by the U.S. Export Administration Regulations or an applicable arms embargo, unless authorised by the relevant government agency by regulation or specific licence.

15. Suspension of the Services

- 15.1 Without affecting any other right or remedy available to it, Supplier shall be entitled to suspend part or all of the provision of Supplier Solutions:
- (a) with fourteen (14) days' prior written notice, if the Buyer (i) commits a material breach of the Agreement or (ii) fails to pay any sums due in accordance with the payment terms, and the

Buyer fails to remedy such breach within the foregoing notification period;

- (b) to enable Supplier to carry out maintenance, modification and testing of Supplier Infrastructure, if there is a technical failure of Supplier Infrastructure, or to safeguard the security and integrity of Supplier Infrastructure in accordance with the SLA;
 - (c) to prevent fraud, illegal activity or misuse of Supplier Solutions; and/or
 - (d) if required by law or regulation (including compliance with sanctions).
- 15.2 Supplier shall keep all suspensions to a minimum.

16. Termination

- 16.1 **Termination without Cause.** Either party may terminate:
- (a) the Agreement for convenience on at least thirty (30) days' prior written notice to the other party, provided there are no active Order Forms in effect on expiry of such notice; and/or
 - (b) an Order Form (or a specific Subscription Service under an Order Form) with ninety (90) days prior written notice to the other party, such notice to expire at the end of the Initial Term or any Renewal Period.
- 16.2 **Termination for Cause.** Without affecting any other right or remedy available to it, either party may terminate the Agreement and/or an individual Order Form with immediate effect by giving written notice to the other party if:
- (a) the other party fails to pay any amount due under the Agreement on the due date for payment and remains in default not less than thirty (30) days after being notified in writing to make such payment;
 - (b) the other party commits a material breach of any other term of the Agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of thirty (30) days after being notified in writing to do so;
 - (c) the other party takes, or has taken against it (other than in relation to a solvent restructuring) any step or action in connection with entering administration, examinership, provisional liquidation or any composition or arrangement with its creditors, applying to a court for or obtaining a moratorium under Part A1 of the Insolvency Act 1986, (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court), being struck off the register of companies, having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction; or
 - (d) the other party suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business.
- 16.3 Supplier may terminate the Agreement without notice and as required:
- (a) in order to comply with sanctions and export laws and regulations, or where the Buyer's financial position deteriorates to such an extent that in Supplier's reasonable opinion its capability to adequately fulfil its obligations under the Agreement has been placed in jeopardy; or
 - (b) in the event the Buyer does not meet Supplier's credit risk management criteria and in accordance with the applicable Product Schedule.

17. Consequence of termination

- 17.1 On termination of an Order Form for any reason:
- (a) all licences granted under the applicable Order Form shall immediately terminate;
 - (b) Supplier shall be entitled to invoice the Buyer for all outstanding Fees for the applicable Order Form, which shall become payable immediately; and
 - (c) each party shall return and make no further use of any equipment, property, documentation and other items (and all copies of them) belonging to the other party provided under the applicable Order Form.
- 17.2 On termination of the Agreement for any reason:
- (a) the parties shall not enter into any further Order Forms;
 - (b) all licences granted under the Agreement and all Order Forms shall immediately terminate;
 - (c) Supplier shall be entitled to invoice the Buyer for all outstanding Fees, which shall become payable immediately;
 - (d) each party shall return and make no further use of any equipment, property, documentation and other items (and all copies of them) belonging to the other party provided under the Agreement and all Order Forms;
 - (e) subject to Clause 11.2 and unless otherwise agreed, each party will promptly return or expunge (or destroy where possible) all of the Confidential Information it has received from the other party, including all copies, reproductions, summaries, analyses or extracts thereof or based thereon. Notwithstanding the foregoing, any obligation to return, destroy or expunge Confidential Information shall not apply to Confidential Information (i) on electronic back-up media which cannot be readily isolated from other information and deleted, and (ii) required to be retained under law, and in each case the confidentiality provisions of the Agreement shall continue to apply to any such Confidential Information;
- 17.3 On termination of the Agreement and/or an Order Form:
- (a) any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination shall not be affected or prejudiced; and
 - (b) any provision of the Agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Agreement shall remain in full force and effect.

18. Force Majeure

- 18.1 Neither party shall be in breach of the Agreement nor liable for delay in performing, or a failure to perform, any of its obligations under the Agreement if such delay or failure is due to events, circumstances or causes beyond its reasonable control including an act of war, civil unrest, war, epidemic/pandemic, government, industrial action, failure of the Internet, or non-performance by suppliers, (a "**Force Majeure Event**"). In such circumstances the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed. If the period of delay or non-performance continues for at least three (3) months, the party not affected by the Force Majeure Event may terminate the Order Form(s) affected by the Force Majeure Event by giving fourteen (14) days' written notice to the affected party. In which case no party shall have any liability or obligation to the other party under Order Form(s) affected by the Force Majeure Event other than the payment of monies due.

19. General

- 19.1 **Assignment and other dealings.** Supplier may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Agreement. The Buyer shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under the Agreement without the prior written consent of Supplier.
- 19.2 **No partnership or agency.** Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party the agent of the other, or authorise either party to make or enter into any commitments for or on behalf of the other party.
- 19.3 **Entire agreement.** Subject to Clause 13.2, the Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties representations, and understandings between them, whether written or oral, relating to its subject matter. All terms and conditions in the Buyer's purchase orders or confirmations are expressly rejected.
- 19.4 **Waiver.** A waiver of any right or remedy under the Agreement or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not:
- (a) waive that or any other right or remedy; or
 - (b) prevent or restrict the further exercise of that or any other right or remedy.
- 19.5 **Severance.** If any provision or part-provision of the Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this Clause shall not affect the validity and enforceability of the rest of the Agreement.
- 19.6 **Notices.** Any written notice given under the Agreement, shall be deemed to be sufficiently and duly given hereunder if sent to the registered office of the receiving party and either: (i) delivered by hand or by courier to the addressee; or (ii) sent by certified or registered mail. A notice shall be deemed received by the receiving party:
- (a) if delivered by hand or by courier, on the date of delivery to the addressee or to their representative, unless delivered after the close of business in which case such notice will be deemed received on the next ensuing Business Day; and
 - (b) if sent by certified or registered mail, on the Business Day that it was signed for as correctly received.
- The provisions of this Clause shall not apply to the service of any proceedings or other documents in any legal action.
- 19.7 **Third parties' rights.** Unless expressly stated otherwise, the Agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Agreement. The rights of the parties to rescind or vary the Agreement are not subject to the consent of any other person.
- 19.8 **Variation.** Without prejudice to the Mandatory Terms, Privacy Terms and SLAs, no variation to the Agreement shall be effective unless it is agreed in writing and signed by an authorised representative of the parties. Notwithstanding the

foregoing, Supplier may amend these Terms and Conditions, Product Schedules and Annexes from time to time by publishing the amended terms and conditions on www.bottomline.com/uk/product-terms-conditions ("Updated Terms"). Unless otherwise stated, the Agreement shall be deemed amended from when the Buyer signs any new Order Form after the date the Updated Terms are published.

- 19.9 **Governing law.** The Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 19.10 **Complaints.** In the event that the Buyer has any complaint regarding the PTX Managed Payments, then the parties shall manage the complaint according to the procedure set out in the applicable Product Schedule.
- 19.11 **Jurisdiction.** Notwithstanding Clause 19.10, each party irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Agreement or its subject matter or formation.

PRODUCT SCHEDULE – PTX Managed Payment Services

1. Definitions

“Authorised Payment Institution” means a company authorised by the FCA in accordance with regulation 2(1) of the payment services regulations 2017 (SI 2017/752) to carry out regulated activities;

“Bacs Bureau” means Bacs approved commercial bureau as listed in the Bacs approved Bureau scheme at <https://www.wearepay.uk/what-we-do/third-party-assurance/bacs-approved-bureau/bacs-approved-bureaux-directory/>

“Client Account” means an appropriately distinguished, nominated or segregated account held by Supplier for storing Buyer monies;

“Direct Credit” means the direct credit payment instrument operated by Bacs and its operating rules under the Bacs scheme;

“Direct Debit” means the direct debit payment instrument operated by Bacs and its operating rules under the Bacs scheme;

“Direct Debit Management” means the software to manage the workflow in the processing of Direct Debits, which may include the capture and creation of Direct Debit mandates, payer notification, collection schedules, payment processing and exception management in accordance with Direct Debit scheme rules;

“End User(s)” means any individual, third party company, legally constituted public body or financial institution that is a client of either the Buyer or a Buyer Group Company;

“Facilities Managed” means the provision by Supplier in its capacity as an Authorised Payment Institution of services which incorporate access to a payment instrument on behalf of the Buyer, including access to the payment scheme and operation of a Buyer End User payment account;

“Managed Bureau Service” or **“Managed BACS Bureau Service”** means the provision by Supplier of services that include Direct Debit Management and Bacs Bureau combined where the Buyer provides their own SUN; and

“Managed Payments Service” means services provided by Supplier where the Buyer utilises Supplier’s SUN under a Facilities Managed model; and

“SUN” means a Bacs service user number;

“Transaction” means a Licence Metric set out in an Order Form, measuring a single credit, debit, refund or AUDDIS instruction issued or a single debit displayed using the Subscription Services;

“Transactions Fee” means the fee which is a percentage of the total value of the Transactions in any billing period as set out in the Order Form; and

“Transmission” means a Licence Metric set out in the Order Form, measuring the creation of a single document instance in the Subscription Services by the Buyer irrespective of whether such document is actually transmitted to an End User or not.

2. Managed Payment Services

- 2.1 **All Managed Payment Services** - Where any PTX Managed Services for Direct Debit Services or Direct Credit Services are specified on an Order Form then Supplier will apply limits to the maximum value of single payments and the total monthly payments that a Buyer may process through the Managed Payments Service (**“Value Limits”**). Such Value Limits may be specified in the Order Form but can be amended from time to time by Supplier at its sole discretion. The Buyer can contact Supplier at any time to request the current Value Limits that apply to its payment values. If, in Supplier’s reasonable opinion, the Buyer exceeds the Value Limits or seeks to bypass the Value Limits (for example by splitting a payment into two or more payments) then Supplier reserves the right to block or remove any affected payments or suspend or terminate the Managed Payments Services.
- 2.2 **Managed Payment Services - Direct Debit** - In addition to paragraph 2.1, where any Managed Payment Services for Direct Debit are specified on an Order Form then the following shall apply:
- (a) The Buyer shall comply with the provisions detailed in this paragraph 2.2(a) including any guidance and instructions provided to it by Supplier in relation to the Agreement and/or in respect of compliance with any codes, guidance or legislation relating to direct debit mandates. For the avoidance of doubt, failure to comply with this Clause will amount to a material breach of the Agreement:
- (i) If Buyer’s End Users are signing paper mandates all original mandates once processed should be retained by the Buyer and provided to Supplier on request (copy to be retained by Buyer if required).
 - (ii) If Buyer’s End Users are signed up to Direct Debit over the telephone then a pre-approved script provided by Supplier should be used in conjunction with Buyer’s own sign up process, thus ensuring that the End User is fully aware that they are giving authority to debit their bank account and that they are protected by the Direct Debit guarantee.
 - (iii) In compliance with Bacs rules Buyer acknowledges that all invoices/advance notifications issued to its End Users (to advise them that the amount that Buyer is requesting is to be collected by Direct Debit), should contain the following wording:
“This invoice/notification is for information purposes only. The amount due will be collected by Direct Debit on or immediately after xx/xx/xxxx” {where xx/xx/xxxx is the collection date agreed with the end user}”
 - (iv) All web-based Direct Debit capture screens need to be approved by Supplier prior to being activated for use by the Buyer.
 - (v) All non-standard Direct Debit Mandates (all mandates not provided directly by Supplier) need to be authorised by Supplier prior to being issued to Buyer’s End Users.

- (vi) If Buyer's End Users are signed up using AUDDIS or the paperless Direct Debit sign-up process then the Buyer shall ensure this is effected in accordance with the Bacs Service Users Guide and Rules to the Direct Debit Scheme (as updated from time to time).
- (b) Supplier has an obligation to follow the Service Users Guide and Rules to the Direct Debit Scheme (as updated from time to time) in relation to the processing of Direct Debit. In the event of a conflict between the Service Users Guide and Rules to the Direct Debit Scheme and the Agreement, the Service Users Guide and Rules to the Direct Debit Scheme shall take precedence.
- (c) The Managed Payment Service Direct Debit service shall include:
 - (i) provision of an AUDDIS enabled SUN
 - (ii) receiving completed direct debit mandate forms ("DDI") from Buyer End Users and lodging them with the relevant bank.
 - (iii) managing returned, amended and cancelled DDI's.
 - (iv) managing the sending of payment files to Bacs and the collection of direct debit instructions on the payment due date(s). Integration via Supplier API where specified on the Agreement
 - (v) managing the reconciliation of processed, rejected and returned items.
 - (vi) access to a web-based Buyer administration site allowing multiple permission-based Buyer users to view/amend End User records, view/print/email payment histories and generate standard reports.
 - (vii) Collection of monies into a designated, ringfenced client account. Funds to be settled to the Buyer following the application of unpaid items (ARUDD's) and indemnity claims (DDIC's) in line with the Bacs clearance cycle, via payment method specified in the agreement.
- 2.3 **Managed Payment Services - Direct Credit** - In addition to paragraph 2.1, where any Managed Payment Services for Direct Credit are specified on an Order Form then the following shall apply:
 - (a) The Buyer shall comply with the provisions detailed in this paragraph 2.3(a) including any guidance and instructions provided to it by Supplier in relation to the Agreement and/or in respect of compliance with any codes, guidance or legislation relating to Direct Credit. For the avoidance of doubt, failure to comply with this Clause will amount to a material breach of the Agreement:
 - (i) All Direct Credit payments shall be subject to beneficiary validation according to the rules of Supplier as updated from time to time.
 - (ii) The Buyer shall provide true and accurate information as required by Supplier to validate the beneficiary of any Direct Credit payment.
 - (iii) Supplier has the right to refuse any payment to a beneficiary that has not been validated, cannot be validated, or that would breach any code, guidance or legislation Supplier is subject to under this paragraph 2.3(a).
 - (iv) All Direct Credit payments to beneficiaries require funds to be available in the Payment Account held with Supplier.
 - (v) No payments shall be made if funds are not available, it is the sole responsibility of the Buyer to ensure sufficient funds are in place in advance of payment initiation.
 - (vi) The Buyer must only apply Direct Credits using their own SUN unless it is a refund of a Direct Debit.

3. Managed Bureau Services

- 3.1 The following applies where Managed Bacs Bureau Services are specified in an Order Form:
 - (a) The Buyer shall design and provide branded direct debit paper and web-based mandate.
 - (b) The Buyer shall provide an approved script for paperless direct debit sign up (e.g. for use in telesales)
 - (c) Access to a web-based Buyer administration site.
 - (d) The Buyer is responsible for linking their own SUN to Supplier's Bureau number (B60684). The Buyer's SUN must be AUDDIS enabled. Where a paperless application is required the Buyer's own SUN must also be Paperless enabled. The Managed Bureau Service can include a paper and web based paperless application which shall include:
 - (i) receiving completed direct debit mandate forms ("DDI") from Buyer End Users and lodging them with the relevant bank.
 - (ii) managing returned, amended and cancelled DDI's.
 - (iii) managing the sending of payment files to Bacs and the collection of direct debit instructions on the payment due date(s).
 - (iv) managing the reconciliation of processed, rejected and returned items.
 - (v) access to a web-based Buyer administration site allowing multiple permission-based Buyer users to view/amend End User records, view/print/email payment histories and generate standard reports.
 - (vi) integration via Supplier API where agreed.
- 3.2 In addition to the requirements under 3.1, Managed Bacs Bureau Services can include submission, contingency or emergency processing as specified in the Order Form. In each case the Managed Bacs Bureau Services provided shall include the following:
 - (a) The Managed Bacs Bureau Services Submission Service shall include:
 - (A) access to Supplier's secure Managed File Transfer (MFT) server
 - (B) receipt of Bacs direct debit/credit files from the Buyer
 - (C) onward submission of Buyer's Bacs file to Bacs
 - (D) provision of the Bacs submission report via MFT
 - (E) retrieval of Bacs A messages where agreed and made available via MFT
 - (b) The Managed Bacs Bureau Services Contingency processing shall include:
 - (A) access to Company's secure Managed File Transfer (MFT) server
 - (B) receipt of Bacs direct debit/credit files from the Buyer
 - (C) onward submission of Buyer's Bacs file to Bacs

- (D) provision of the Bacs submission report via MFT
- (E) retrieval of Bacs A messages where agreed and made available via MFT
- (c) For the Managed Bacs Bureau Services Emergency processing service the Buyer is responsible for linking their own SUN to Supplier's Bureau number (B60684). The service shall include:
 - (A) agreed method of file transfer (for emergency submission this can be provided by the Buyer via password protected email or hand delivered USB)
 - (B) receipt of Bacs direct debit/credit files from the Buyer
 - (C) onward submission of Buyer's Bacs file to Bacs
 - (D) the provision of the Bacs submission report via an agreed method

4. Credit Risk Management

- 4.1 Supplier operates an active credit risk management monitoring process in relation to its PTX Managed Payment Service. As part of this monitoring process the Buyer will be categorised by Supplier as either meeting Supplier's standard risk criteria or heightened risk criteria or not meeting Supplier's risk criteria. Where the Buyer is categorised as meeting the heightened risk criteria (such criteria to be determined at the sole discretion of Supplier) the additional provisions detailed in paragraph 4.2 may apply to the Agreement.
- 4.2 Where the Buyer is categorised as meeting the heightened risk criteria, in addition to the provisions set out in paragraph 5.1(h), Supplier shall notify the Buyer in writing and the following measures shall apply in whole or in part with immediate effect:
 - (a) Supplier may require that an indemnity reserve account be established. This account will be used at Supplier's discretion for the settlement of any indemnity claims made against the Buyer's Service User Number whether such claims have already been invoked by the End User or are likely to be invoked;
 - (b) Supplier may apply an extended settlement period for payments collected under the Buyer's Service User Number. The standard extension will be 28 days, though Supplier reserves the right to amend this dependent upon the Buyer's risk profile;
 - (c) Supplier may withhold part, or all, of any collection for the purpose of settling any prevailing, pending or potential indemnity claims. This right will extend to instances where there are overdue amounts owing to Supplier for provision of contracted services;
 - (d) Supplier may review and amend any applicable Buyer transaction limits at Supplier sole discretion;
- 4.3 Where the Buyer's risk profile is considered to be elevated, but meeting Supplier's heightened risk criteria, Supplier may review all prevailing pricing and service charges set out in the Agreement to ensure these accurately reflect the heightened risk. In such circumstances Supplier may also require invoiced amounts to be settled directly from collections made by the Buyer.
- 4.4 Where Supplier deems the Buyer's heightened risk profile to have improved, Supplier may, at its sole discretion, categorise the Buyer to a standard risk status. Where the Buyer's risk profile is considered to not meet Supplier's risk criteria, Supplier may, at its sole discretion, either:
 - (i) require the Buyer to take such steps as are necessary to meet its Due Diligence criteria,
 - (ii) suspend the Buyer's access to the Services with immediate effect, or
 - (iii) terminate this Agreement with immediate effect.
- 4.5 Notwithstanding the above, Supplier reserves the right to audit the Buyer's financial statements and processes including but not limited to accounting information, bank statements, direct debit records and Buyers' End User contracts and to request documentary evidence. For the avoidance of doubt, failure to comply with this paragraph will amount to a material breach of the Agreement.

5. Additional Indemnities

- 5.1 Where the Buyer is provided with Managed Payment Services as specified in an Order Form:
 - (a) the Buyer shall defend and indemnify Supplier (and Supplier Group Companies) against claims, actions, proceedings, losses, damages, expenses and costs (including court costs and reasonable legal fees) suffered or incurred by Supplier (and/or any member of Supplier Group Companies) (a "**Claim**") arising out of or in connection with:
 - (i) all or any negligent and/or fraudulent acts or omissions by the Buyer; and/or
 - (ii) the failure of the Buyer to supply Supplier with accurate and valid direct debit instructions; and/or
 - (iii) the processing of direct debits, which are incorrect for whatever reason; and/or
 - (iv) the reclaim, for whatever reason, of any Direct Debits collected by Supplier in the provision of the Services; and/or
 - (v) any payment collected using the Subscription Services and passing through Supplier Infrastructure that originates from the Buyer pursuant to the Agreement.
 - (b) If a payment due from the Buyer under paragraph 5.1(a) is subject to tax (whether by way of direct assessment or withholding at its source), Supplier shall be entitled to receive from the Buyer such amounts as shall ensure that the net receipt, after tax, to Supplier in respect of the payment is the same as it would have been being the payment not subject to tax.
 - (c) In addition, and at the absolute discretion of Supplier, the Buyer shall within 7 days of receiving any such written request from Supplier hereby assign to Supplier all or any legal and/or equitable rights, Claims, choses in action and/or similar which the Buyer has or may have against the End User with a view to Supplier successfully recovering from the End User all or any loss which is suffered by Supplier in relation to a Claim. The Buyer shall indemnify Supplier for any losses incurred by Supplier as a result of the Buyer's failure to effect any such assignment within the 7 day written notification request.

- (d) The Buyer hereby undertakes to co-operate fully and to use its best endeavours in relation to all requests which Supplier makes in relation to all or any assignments set out in this paragraph 5.1 and to provide within a reasonable time all information and documentation to Supplier which may be required by Supplier in relation to any such assignment and to sign all documents and to do whatever necessary to give effect to the assignment. For the avoidance of doubt, any such assignment to Supplier will not amount to a release or waiver of the Buyer's contractual obligations to Supplier in relation to a Claim.
- (e) The Buyer hereby agrees that in the event of the termination or expiry of this Agreement Supplier shall be entitled to hold and/or retain for the Buyer an amount up to the equivalent of the aggregate amount of monies held by Supplier at termination on behalf of the Buyer for a period of up to 12 calendar months from termination as security for any future claims and/or liabilities.
- (f) If any third party makes a claim, or provides notification of its intention to make a claim against Supplier which may reasonably be considered likely to give rise to a liability under this indemnity, Supplier shall notify the Buyer and shall be entitled to retain and/or set off an amount equivalent to the estimated amount of the Claim from any monies held by Supplier on behalf of the Buyer at any time. With regards to Claims effected under the Direct Debit Guarantee in accordance with the Bacs policy governing such matters, Supplier will prioritise set off as follows in order of preference:
 - (i) In the first instance and in the case of insufficient monies being held in a Client Account, Supplier will seek to set off the indemnity amount against any monies held or received in respect of collections initiated by the Buyer;
 - (ii) thereafter, Supplier shall set off the amount of the Claim against any monies held by the Buyer in a pre-funded reserve held in a specific Client Account if such a facility has been arranged;
 - (iii) then, Supplier reserves the right to either instruct a Direct Debit payment or seek payment by other means from the Buyer to cover the liability failing which;
 - (iv) if, after 14 Business Days from receipt of the Claim there remains any amount outstanding then an equivalent charge will be made to the Buyer and included on the next scheduled invoice.
- (g) In respect of monies referenced in paragraph 5.1(e):
 - (i) The Buyer may seek an immediate withdrawal of such monies, in whole or part, at any time except where monies are being held under paragraph 5.1(f). Supplier will remit such monies, via BACS transfer, on written instruction from the Buyer, provided:
 - (A) there are no liabilities outstanding, or at Supplier's sole discretion, reasonably likely to be incurred or;
 - (B) where Supplier's liability for future indemnity Claims is extinguished in its entirety (such as through a bulk transfer of Direct Debit instructions to another provider) Supplier will decide at its sole discretion whether reserve monies may be released back to the Buyer in whole or part.
 - (ii) Where reserve monies are repaid to the Buyer, Supplier will assess whether the Facilities Managed services can continue to be provided and, if so, will revert to remedies outlined in paragraph 5.1(f) (i), (iii) and (iv) if Claims are subsequently received.
 - (iii) Supplier will regularly review the amount of monies in reserve and may seek a top up, or an increased level of reserve at its sole discretion. The Buyer has the right to refuse such a request, in which case Supplier will assess whether services can continue to be provided.
 - (iv) The monies held in reserve will only be used for the express and exclusive purpose of funding indemnity Claims.

6. Additional Termination Rights

- 6.1 Where the Buyer is provided with Managed Payment Services the following additional termination provisions shall apply:
 - (a) If less than the required notice period is given by the Buyer, Supplier will be entitled to liquidated damages calculated as the average of the previous 6 highest month's Fees over the previous 12 months for the remainder of the Initial Term and any notice period pursuant to Clause 16.1 of the Agreement
 - (b) Supplier may terminate this Agreement with immediate effect (or following such notice period as it sees fit), if the Buyer fails to process under the Service User Number (SUN) for 3 consecutive months or if the Buyer is in breach of any BACS operational regulations as advised in writing by Supplier from time to time.
 - (c) Supplier may terminate this Agreement with immediate effect If the Buyer transfers its Service User Number (SUN) to another provider.
- 6.2 On termination or expiry of Managed Payment Services, howsoever caused, the Buyer is responsible for unlinking their Service User Number (SUN) from Supplier's Bacs bureau number.

7. Invoicing and Payment

- 7.1 Fees are set out in the Order Form. Unless otherwise agreed in the Order Form, any units or quantities specified for Professional Services are estimates only.
- 7.2 The Transactions Fee will be invoiced in arrears for the month preceding the then current month, at the percentage rate specified in the Order Form.
- 7.3 Supplier shall monitor the Buyer's Licence Metrics. Where the Buyer exceeds its procured Licence Metrics, Supplier shall collect such overage Fees monthly in arrears at the Licence Metric rates specified in the Order Form. Any un-used Licence Metrics remaining upon expiry of any period are non-refundable and may not be carried forward for use in any subsequent periods.

8. Complaints Procedure for Facilities Managed Services

- 8.1 Supplier are regulated by the Financial Conduct Authority and therefore follow the rules set out by the regulatory authority when managing complaints. If the Buyer has a complaint about Supplier's service, Supplier wants to hear about it and will do its best to put it right.
- 8.2 Supplier's Complaints Procedure has the following goals:
- (a) To make it easy for the Buyer to contact Supplier about its complaint;
 - (b) To deal with complaints fairly, efficiently and effectively;
 - (c) To ensure that all complaints are handled in a consistent manner;
 - (d) To make sure the Buyer is satisfied with how its complaint was resolved;
 - (e) To increase customer satisfaction; and
 - (f) To use complaints constructively in the planning and improvement of all services.
- 8.3 If the Buyer is not satisfied with any aspect of Supplier's service, the Buyer can tell Supplier about its complaint in the following ways:
- (a) **In writing** – address the letter to the Head of Legal & Compliance, Supplier Payment Services Limited, 1600 Arlington Business Park, Theale, Reading, Berkshire, RG7 4SA
 - (b) **By telephone** – 0344 8266 700
 - (c) **By e-mail** – contact Supplier via e-mail at bpscompliance@bottomline.com
- 8.4 Supplier aims to resolve the Buyer's complaint straight away. However if Supplier has not been able to do so, Supplier will aim to resolve the complaint within 15 Business Days.
- 8.5 If Supplier has not been able to resolve Supplier's complaint within 15 Business Days, Supplier will write to the Buyer to explain:
- (a) why it has not yet resolved the complaint
 - (b) who is dealing with the complaint
 - (c) when Supplier will contact the Buyer again, this will not exceed 35 Business Days from when the Buyer reported the complaint to Supplier.
- 8.6 Once Supplier have fully investigated the matter, Supplier will write to the Buyer confirming its decision, how it was reached and any offer of redress and/or what remedial action was taken where this is appropriate. Should the Buyer be unhappy about Supplier's response, Supplier may refer the matter to the Financial Ombudsman Service.
- 8.7 The Financial Ombudsman Service (FOS) is an independent arbitration service provided free for customers. Should the Buyer be dissatisfied with Supplier's response the Buyer may contact the FOS within six months, unless informed otherwise, using the contact details below:
- Address: Financial Ombudsman Service, Exchange Tower, London, E14 9SR
 - Telephone: 0800 023 4567 or 0300 123 9123
 - Email: complaint.info@financial-ombudsman.org.uk
 - Website: www.financial-ombudsman.org.uk

PRODUCT SCHEDULE – PTX CoP - Confirmation of Payee for Business

1. Definitions

“CoP Participant” means an organisation that is taking part in the Pay.UK Confirmation of Payee services as an accredited member;

“CoP Verification” means a single Search via a Subscription Service using one (1) Transaction for the Pay.UK Confirmation of Payee service to verify that a single United Kingdom bank account and sort code combination, or secondary reference number, bank account and sort code combination, exists, is open and matches the account holder’s name;

2. Additional Exclusions

- 2.1 Where any PTX CoP Subscription Service is specified on an Order Agreement then the following shall apply in addition to the other terms and conditions in this Agreement:
- (a) CoP Verification Subscription Services may only be used where there will ultimately be a payment associated with the account that has been verified.
 - (b) The CoP Verification Subscription Services must not be resold to any third parties or otherwise be provided for the benefit of any third parties.
 - (c) The Buyer must not make multiple attempts to make a CoP Verification request in respect of the same payee or variation of the name of the payee, in an attempt to confirm the payee’s name, account or details.
 - (d) The Buyer must only use the CoP Verification Subscription Services in accordance with the rules and requirements set by Pay.uk
 - (e) Supplier does not warrant, represent or give any guarantee or commitment that the output of the CoP Subscription Service will be accurate or complete or meet the Buyer’s requirements. The Buyer acknowledges that the accuracy and completeness of the CoP Subscription Service is dependent upon the accuracy and completeness of the data and service provided to Supplier by the Buyer and the data and service provided by the CoP Participant.
 - (f) Supplier is not responsible for any delays, delivery failures, or any loss, damages, costs or expenses resulting from the transfer of CoP Subscription Service over communications networks and facilities, including, but not limited to, banking systems, financial messaging networks or the internet; and the Buyer acknowledges that CoP Subscription Service may be subject to limitations and delays inherent in the use of such communications facilities which are outside of the control of Supplier.
 - (g) The presentation of the results obtained via CoP Subscription Service is subject to the Buyer’s Authorised User(s) providing correct and accurate access credentials in connection therewith; and Supplier shall not be liable to the Buyer to the extent that it is prevented from providing the Buyer with such results via CoP Subscription Service thereafter.
 - (h) The Buyer shall co-operate with any audit and/or review undertaken by Supplier or Pay.uk in respect of the Buyer’s compliance with the rules and requirements of the Pay.uk

PRODUCT SCHEDULE – PTX Pay Direct

1. Definitions

“**ASPSP**” means an Account Servicing Payment Service Provider providing and maintaining (current, savings and/or card) accounts; and

“**PISP**” means Payment Initiation Service Provider.

2. Additional Requirements

- 2.1 Where the PTX Pay Direct Subscription Service is specified on an Order Agreement then, through authentication between the Buyer End User and its selected ASPSP, the Buyer End User shall give consent to payment initiation by Supplier acting as a PISP.