

PROFESSIONAL SERVICES TERMS

1. INTERPRETATION

The definitions and rules of interpretation in this condition apply in these terms and conditions.

1.1 Definitions:

Conditions: these Professional Services Terms together with the General Terms and Conditions.

Customer's Project Manager: the Customer's manager for the Project appointed in accordance with condition 3.1(a).

Deliverables: all products and materials developed by Bechtle in relation to the Project in any media, including computer programs, data, diagrams, reports and specifications (including drafts).

General Terms: the Bechtle general business terms and conditions

Pre-existing Materials: materials which existed before the commencement of the Project.

Project: the project as described in the Scope of Works.

Project Milestone: a date by which a part of the Project is estimated to be completed, as set out in the Scope of Works.

Scope of Works: the detailed plan describing the Project and setting out the estimated timetable (including Project Milestones) and responsibilities of each of the parties for, or in connection with, the provision of the Services by Bechtle in accordance with the Contract.

Services: the Professional Services as set out in the Order and as described in the Scope of Works

Bechtle's Project Manager: Bechtle's manager for the Project, appointed in accordance with condition 2.3.

VAT: value added tax imposed by the Value Added Tax Act 1994 or any similar tax chargeable in the UK.

1.2 Expressions defined in the General Terms and used in these Professional Services Terms have the meaning set out in the General Terms unless otherwise defined. The rules of interpretation set out in the General Terms apply to these Professional Services Terms.

1.3 These Professional Services Terms shall apply to and be incorporated into the Contract where the Order states that they shall apply.

2. Bechtle's obligations

2.1 Bechtle shall use reasonable endeavours to manage and complete the Project, and to deliver the Deliverables to the Customer, in accordance in all material respects with the Scope of Works.

2.2 Bechtle shall use reasonable endeavours to meet the performance dates specified in the Scope of Works, but any such dates shall be estimates only and time shall not be of the essence of the Contract.

2.3 Bechtle shall appoint Bechtle's Project Manager who shall have authority to contractually bind Bechtle on all matters relating to the Project. Bechtle shall use reasonable endeavours to ensure that the same person acts as Bechtle's Project Manager throughout the Project but may replace that person from time to time where reasonably necessary in the interests of Bechtle's business.

3. Customer's obligations

3.1 The Customer shall:

- (a) co-operate with Bechtle in all matters relating to the Project and appoint the Customer's Project Manager, who shall have the authority to contractually bind the Customer on matters relating to the Project;
- (b) provide in a timely manner such access to the Customer's premises and data, and such office accommodation and other facilities, as is requested by Bechtle;
- (c) provide in a timely manner such information as Bechtle may request, and ensure that such information is accurate in all material respects; and
- (d) be responsible (at its own cost) for preparing the relevant premises for the supply of the Services.

3.2 If Bechtle's performance of its obligations under the Contract is prevented or delayed by any act or omission of the Customer or the Customer's agents, subcontractors or employees, the Customer shall in all circumstances be liable to pay to Bechtle on demand all reasonable costs, charges or losses sustained or incurred by it, subject to Bechtle confirming such costs, charges and losses to the Customer in writing. Such losses shall include, without limitation, any direct, indirect or consequential losses, loss of profit and loss of reputation, loss or damage to property, injury to or death of any person and loss of opportunity to deploy resources elsewhere.

3.3 The Customer is responsible for ensuring that adequate supervision, inspection, testing and approval processes for completion of any Services provided by Bechtle. In the event that the Customer has not raised any concerns within 7 days of completion of the Services then the Customer agrees it is reasonable for Bechtle to infer their acceptance and invoice for those Services.

4. Charges and payment

4.1 Condition 4.2 shall apply if the Services are to be provided on a time-and-materials basis. condition 4.3 and condition 4.4 shall apply if the Services are to be provided for a fixed price. The remainder of this condition 4 shall apply in either case.

4.2 Where the Services are provided on a time-and-materials basis:

- (a) the charges payable for the Services shall be calculated in accordance with Bechtle's standard daily fee rates as amended from time to time;
- (b) Bechtle's standard daily fee rates are calculated on the basis of an eight-hour day worked between 8.00 am and 5.00 pm on weekdays (excluding weekends and public holidays);
- (c) Bechtle shall be entitled to charge at an overtime rate of up to 200% of the normal rate for part days and for time worked by members of the project team outside the hours referred to in condition 4.2(b) on a pro-rata basis;
- (d) Bechtle shall ensure that all members of the project team complete time sheets recording time spent on the Project, and Bechtle shall use such time sheets to calculate the charges covered by each monthly invoice referred to in condition 4.2(e); and
- (e) Bechtle shall invoice the Customer monthly in arrears for its charges for time, expenses and materials (subject to condition 4.5) for the month concerned, calculated as provided in this condition 4. Any expenses, materials and third party services shall be invoiced by Bechtle. Each

invoice shall set out the time spent by each member of the project team and provide a detailed breakdown of any expenses and materials.

- 4.3 Where the Services are provided for a fixed price, the total price for the Services shall be the amount set out in the Scope of Works. The total price shall be paid to Bechtle in instalments as set out in the Scope of Works on it achieving the corresponding Project Milestone. On achieving a Project Milestone, Bechtle shall (subject to condition 4.5) invoice the Customer for the charges that are then payable, together with expenses and the costs of materials, calculated as provided in condition 4.4.
- 4.4 Any fixed price contained in the Scope of Works excludes the cost of hotel, subsistence, travelling and any other ancillary expenses reasonably incurred by the project team in connection with the Services, and the cost of any materials or services reasonably and properly provided by third parties required by Bechtle for the supply of the Services. Such expenses, materials and third party services shall be invoiced by Bechtle.
- 4.5 All payments made by the Customer under this agreement are exclusive of VAT. Bechtle shall provide the Customer with a valid VAT invoice. The Customer shall pay any stamp duties or similar transfer taxes imposed on the supplies made under this agreement and shall reimburse Bechtle for any such stamp duties or similar transfer taxes paid by Bechtle. If the Customer is required to make any deduction for or on account of tax from any payment due under this agreement (**Tax Deduction**):
- (a) The Customer shall account to the relevant tax authority for such Tax Deduction and shall provide evidence to Bechtle that it has so accounted.
 - (b) The amount of the payment due under this agreement shall be increased so that Bechtle receives an amount equal to the amount that would have been received by it, had the Customer not been required to make any Tax Deduction.

The Customer and Bechtle shall co-operate to minimise the amount of any Tax Deduction. If following the making of a Tax Deduction, Bechtle determines [in its sole discretion/ acting in good faith] that it (or any member of Bechtle's group) has received and retained any credit, relief or other benefit as a result of the Tax Deduction, Bechtle shall pay such amount to the Customer as Bechtle determines in its sole discretion/ acting in good faith would leave Bechtle in the same position as if the Customer had not been required to make any Tax Deduction.

5. Rescheduling

- 5.1 If Bechtle does not receive written notice from the Customer more than 10 working days in advance about cancellation or re-scheduling of any scheduled Services, then Bechtle reserves the right to charge the Customer a cancellation fee as indicated below.
- 10+ working days written notice = no charge
 - 3-9 working days written notice = 50% of the charges for the cancelled Services
 - 0-2 working days written notice = 100% of the charges for the cancelled Services
- 5.2 The Customer's notice to cancel or re-schedule should be given by email to services.uk@bechtle.com



6. Complaints

Should the performance of any personnel assigned by Bechtle to perform Services be unsatisfactory, the Customer shall notify Bechtle in writing with details of the unsatisfactory performance and, provided that Bechtle is satisfied that the Customer's dissatisfaction is reasonable, Bechtle will re-assign personnel as soon as reasonably practicable.