TALKTALK STANDARD TERMS OF PURCHASE

1 INTRODUCTION

1.1 These Terms are the terms and conditions on which TalkTalk and its Affiliates purchase goods and/or services from you (**you** or **your**). No alterations proposed by you will be binding unless TalkTalk first agrees to them in writing.

1.2 By acknowledging receipt of the Purchase Order or commencing provision of the Services and/or delivery of the Deliverables (whichever comes first), you agree to be bound by these Terms.

1.3 Any other terms and conditions you seek to rely on (including any terms referred to in, or forming part of, any quotation, order, confirmation of order, implied by law, trade custom, practice or course of dealing) will not apply to the Deliverables and/or Services Ordered.

2 COMMENCEMENT AND DURATION

2.1 Unless stated otherwise, the Purchase Order will commence on the Commencement Date and will continue thereafter (**Term**).

2.2 In consideration of the Price, you will provide the Services and/or Deliverables to TalkTalk, its Affiliates and/or its Contractors (as applicable) in accordance with the Specification and these Terms.

3 QUALITY STANDARDS

3.1 In providing the Services and/or the Deliverables, you will:

(a) ensure the Services and/or Deliverables conform with the Specification and the Purchase Order (if applicable);

(b) perform the Services with reasonable care and skill and use properly qualified and experienced persons;

(c) use best quality materials and workmanship;

(d) have and maintain all necessary licences and consents and comply with all applicable laws and regulations;

(e) ensure Deliverables are marked as per TalkTalk's instructions and are properly packed and secured so they reach their destination undamaged;

(f) observe, and ensure that your employees, consultants, agents and subcontractors observe, all health and safety rules and regulations and security requirements that apply to TalkTalk's or its Affiliates' premises and any other policies and procedures notified by TalkTalk from time to time; and

(g) follow any reasonable instructions given by TalkTalk in respect of the Services and/or the Deliverables.

3.2 TalkTalk may inspect and test the Deliverables on reasonable notice prior to their delivery and, without prejudice to any other remedy, if any part of the Deliverables or Services are not supplied or performed in accordance with these Terms, TalkTalk may:

(a) require you to supply replacement Deliverables and/or re-perform the Services within seven days or such other time as TalkTalk may specify;

(b) delay Acceptance of the whole or any part of the Deliverables and/or Services without any further payment or charge for storage or delay; or

(c) whether or not TalkTalk has previously required you to supply replacement Deliverables and/or re-perform the Services, treat the Purchase Order as discharged by your breach and require the repayment of any Price paid (or part paid) and any other costs, damages or losses incurred as a result.

4 DELIVERY AND PERFORMANCE

4.1 You will deliver all Deliverables and/or perform all Services in accordance with the delivery and performance timetables set out in the Purchase Order. Unless agreed otherwise in writing by TalkTalk, all Deliverables shall be delivered as specified in the Purchase Order (or Specification) or, if nothing is specified, within 28 days from the date of the Purchase Order. You will immediately notify TalkTalk of any anticipated delay in delivery, despatch, completion or performance.

4.2 Delivery of all Deliverables and performance of all Services will be carriage paid (including all other applicable duties and taxes) to the TalkTalk location specified in the Purchase Order, or as otherwise agreed in writing between the Parties.

4.3 Title and risk to the Deliverables will pass to TalkTalk on delivery, without prejudice to any right of rejection or other right which may accrue to TalkTalk. All Deliverables rejected or returned for any reason will be at your risk during transit.

4.4 If you fail to deliver the Deliverables and/or perform the Services by the relevant due date(s), you shall pay to TalkTalk on demand as liquidated damages 1% of the value of the delayed Deliverables and/or Services for each day of delay. Such sum represents a genuine pre-estimate of TalkTalk's loss. Without prejudice to any other rights, if the delayed or non-performed Deliverables or Services remain outstanding more than 10 days after their due date, TalkTalk may terminate the Purchase Order (in whole or in part) on notice and without further liability.

5 PRICE AND PAYMENT

5.1 The Price shall be as stated in the Purchase Order and is exclusive of VAT but inclusive of all other charges. No extra charges shall be effective unless agreed in writing by TalkTalk.

5.2 Subject to Acceptance, TalkTalk shall pay the Price.

5.3 You may issue invoices on or at any time after performance of the Services and/or delivery of the Deliverables (provided they are delivered in accordance with clause 4).

5.4 Expenses will be as stated in the Purchase Order and no additional expenses will be payable by TalkTalk, unless agreed otherwise in writing. Expenses shall be incurred in accordance with TalkTalk's prevailing expenses policy from time to time.

5.5 Unless agreed otherwise in writing (including email) by TalkTalk, all undisputed amounts shall be paid by TalkTalk within 90 days of TalkTalk's receipt of a correctly constituted invoice.

5.6 If a Party fails to pay any amount due under these Terms, the other Party may charge interest on the overdue amount at the rate of 2% per annum above the base rate of HSBC Bank plc accruing on a daily basis from the due date until the date of actual payment, whether before or after judgment. The defaulting Party shall pay the interest together with the overdue amount. This clause shall not apply to payments the defaulting Party disputes in good faith.

5.7 TalkTalk shall not be required to pay the Price for the Services and/or Deliverables unless it has issued a Purchase Order relating to such Services and/or Deliverables. You acknowledge that you should not commence any work relating to such Services and/or Deliverables until the foregoing has been satisfied.

6 INTELLECTUAL PROPERTY RIGHTS

6.1 You shall not:

(a) use or register, or attempt to use or register, any of TalkTalk's or its Affiliates' trade marks (whether registered or unregistered) or any similar variation in any website domain name, brand name, trade name or company name; or

(b) act in any way which brings any of TalkTalk's or its Affiliates' trade marks (whether registered or unregistered) into disrepute.

6.2 TalkTalk IPR shall be solely owned by TalkTalk, its Affiliates or its licensors and no right or licence will be granted to you to use the same.

6.3 Supplier IPR shall be solely owned by you and, save as set out in clauses 6.6 and 8, no right or licence will be granted to TalkTalk to use the same.

6.4 You shall procure that all employees, subcontractors and agents assign to you all IPR created by them as a result of these Terms.

6.5 Project IPR shall be owned by TalkTalk and you hereby assign to TalkTalk (by way of future assignment) any and all Project IPR and you agree to do all acts necessary to give effect to this clause.

6.6 You grant to TalkTalk, its Affiliates and its Contractors a perpetual, worldwide, royalty free licence to use any Supplier IPR necessary to use the Services or Deliverables.

6.7 You shall indemnify and hold harmless (except in respect of any TalkTalk IPR) TalkTalk against all claims arising from infringement of any third party IPR in relation to any Deliverables or Services. TalkTalk shall indemnify you against all claims arising from infringement of any third party IPR in relation to your use of TalkTalk IPR in any Deliverables or Services.

7 TALKTALK DATA

7.1 You shall:

(a) process TalkTalk Data only to the extent, and in such a manner, as is necessary for the Services and in accordance with TalkTalk's instructions from time to time and shall not process TalkTalk Data for any other purpose;

(b) not transfer TalkTalk Data outside the European Economic Area without the prior written consent of TalkTalk;

(c) in addition to complying with the Security Policy, take appropriate technical and organisational measures against the unauthorised or unlawful processing of TalkTalk Data and against the accidental loss or destruction of, or damage to, TalkTalk Data;

(d) promptly inform TalkTalk if any TalkTalk Data is lost or destroyed or becomes damaged, corrupted, or unusable; and

(e) indemnify and hold harmless TalkTalk against any loss, damage, costs, fines or expenses, including reasonable legal fees and costs of litigation, arising from a breach of this clause.

8 SOFTWARE

8.1 Subject to clause 8.2, if TalkTalk is purchasing software from you, you grant to TalkTalk, its Affiliates and its Contractors, a non-exclusive, perpetual, royalty free licence to use the software.

8.2 The licence granted to Contractors pursuant to clause 8.1 shall only be to the extent necessary for such Contractors to provide services to TalkTalk and/or its Affiliates.

8.3 In addition to any other rights set out in these Terms, you warrant that the software will conform in all material respects to the specification provided to TalkTalk and be free from defects for a period of 90 days from delivery of the software.

9 WARRANTIES

9.1 You represent, warrant and undertake that:

(a) the performance of your obligations hereunder will not breach, or cause TalkTalk to be in breach of, any applicable law or regulation; and

(b) you own or are licensed to use all IPR necessary for TalkTalk to use the Deliverables and/or any Services and are entitled to enter into these Terms and grant the rights set out herein.

10 LIMITS ON LIABILITY

10.1 Nothing in these Terms limits or excludes any liability arising from death or personal injury caused by a Party's negligence, liability for fraudulent: misrepresentation, misstatement, act or omission, claims arising in respect of clauses 6.7, 7.1(e), 11 and 13 or any liability which cannot be excluded or limited by applicable law.

10.2 Subject to clause 10.1:

(a) your liability to TalkTalk shall be limited to £500,000;

(b) TalkTalk's total liability shall be limited to the annual value of the Purchase Order for the relevant year in which the relevant claim or series of claims arises; and

(c) neither Party will have any liability under these Terms for any indirect or consequential loss or damage, costs, claims or expenses, including loss of profits, loss of business, loss of revenues and loss of goodwill.

11 CONFIDENTIALITY

11.1 Neither Party will during the Term or thereafter, publish, make use of or disclose to any third party any Confidential Information.

11.2 Confidential Information may be disclosed if and to the extent:

(a) it is at the time of disclosure in the public domain or thereafter becomes so otherwise than as a result of a breach of this clause;

(b) it is required by law or any regulatory or government authority;

(c) the receiving Party considers it necessary to disclose the information to its advisers, auditors, or bankers, provided it does so on terms that protect the Confidential Information on terms no less onerous than those set out in these Terms; or

(d) the disclosing Party has given prior consent in writing.

11.3 You will not make any public announcement regarding the Purchase Order without the prior written consent of TalkTalk.

11.4 If you are handing TalkTalk's Confidential Information, you shall comply with the Security Policy.

12 TERMINATION

12.1 Without limiting its other rights or remedies, a Party may terminate the Purchase Order if the other Party:

(a) commits a material breach of any of these Terms, provided that, where such breach is capable of remedy, the breaching Party has been advised in writing of the breach and has not rectified it within 30 days of receipt of such notice;

(b) passes a resolution for its winding up, a court of competent jurisdiction makes an order for the winding up or the dissolution of such Party, any steps are taken to make an administration order or to appoint an administrator under the Enterprise Act 2002, notice is given of the intention to appoint a receiver or administrative receiver over such Party, an encumbrancer takes possession or sells any of such Party's assets, such Party makes an arrangement or composition with its creditors generally or makes an application to a court of competent jurisdiction for protection from its creditors;

(c) ceases to do business;

(d) is prevented from performing its obligations for any period of 30 consecutive days, save that the Party seeking to rely on

this clause will notify the other Party of such event and will take all reasonable steps to mitigate the effect of such event on the other Party; or

(e) is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.

12.2 Without limiting its other rights or remedies, TalkTalk may terminate the Purchase Order:

(a) if you undergo a change of Control; or

(b) in respect of all or part of the Deliverables and/or the Services by giving notice to you at any time prior to delivery and/or performance, in which case, TalkTalk' sole liability shall be to pay to you the Price for such Deliverables and/or the Services, less any savings arising from cancellation.

12.3 All rights and obligations of the Parties will cease to have effect immediately upon termination except that termination will not affect the accrued rights and obligations of the Parties at the date of termination.

12.4 Expiry or termination of these Terms shall not affect any provisions that are expressed to operate or have effect after their termination.

13 YOUR EMPLOYEES

13.1 It is the Parties' understanding that neither the commencement nor the termination of any of the Services will give rise to a relevant transfer under TUPE. However:

(a) if any contract of employment (or any liability relating thereto) of any person employed by TalkTalk or any Previous Supplier transfers or is alleged to transfer to you by virtue of TUPE as a result of the provision of the Services (**Transferred Employees**) TalkTalk shall indemnify you and keep you indemnified against all Losses arising out of or in connection with Transferred Employees; and

(b) if any employment, contract of employment (or any liability relating thereto) of any person employed by you or your subcontractors transfers or is alleged to transfer to TalkTalk or any Successor Supplier (as applicable) by virtue of TUPE as a result of the termination or expiry of the Services (or any part thereof) (**Exit Employee**), you shall indemnify TalkTalk or any Successor Supplier (as applicable) and keep each of them fully indemnified against all Losses arising out of or in connection with Exit Employees.

14 NOTICES

14.1 All contractual notices must be in writing, and be sent either by:

Method of Delivery	Address for Delivery to TalkTalk	Your Address
Email; or	contractnotices@talktalkplc.com	N/A
Guaranteed next Working Day delivery service providing proof of postage; or	To the relevant Party's registered address for the attention of the Legal Department	
Hand.		

14.2 Operational correspondence should be sent to a Party's usual operational contact(s).

14.3 Notices are effective where:

(a) delivered by hand, at the time of signature of a delivery receipt or at the time the notice is left at the relevant address;

(b) sent by guaranteed next Working Day delivery service providing proof of postage, at 9 am on the second Working Day after the posting date; or

(c) sent by email, on the sending date in the sender's time zone where sent before 5 pm in the recipient's time zone on a Working Day or at 9 am on the next Working Day where sent after 5 pm, in each case as verified by written or automated notification or by electronic log.

14.4 If, subsequent to sending an email notice in accordance with clause 14.1, a Party (**Notifying Party**) receives notice that such email has not been delivered then this shall not invalidate the service of the original email notice (including as to time of effectiveness) but the Notifying Party shall also send the relevant notice by another method of service listed in clause 14.1 as soon as reasonably practicable.

15 MODERN SLAVERY

15.1 You will: (a) comply with all applicable anti-slavery and human trafficking laws and regulations, including the Modern Slavery Act 2015 ("**MS Laws**"); (b) not engage in any activity that would be an offence under the MS Laws if it were carried out in the UK; (c) maintain throughout the term of these Terms your own policies and procedures to ensure compliance with the MS Laws ("**MS Policies**"); (d) include in your contracts with subcontractors and suppliers provisions which are at least as onerous as those set out in this clause 15; (e) notify TalkTalk as soon as you become aware of any breach of the MS Laws or the MS Policies; and (f) provide such information as TalkTalk may reasonably require to demonstrate your compliance with this clause 15.

16 REAL LIVING WAGE

16.1 For all your personnel aged 18 or over, who are engaged in the provision of Services and/or Deliverables to TalkTalk, and who work two or more hours per week over any consecutive eight-week period at any of TalkTalk's UK premises (including buildings and grounds), you shall:

(a) pay such personnel not less than the then current real living wage rates for any hours spent on such premises;

(b) increase the amount which you pay such personnel by the same amount as any increase to the real living wage, within six months of the date on which any increase in the real living wage is officially announced; and

(c) notify TalkTalk of any of your personnel who fall within the scope of this clause within four weeks of such occurrence.

16.2 You shall ensure that your contractors and third parties engaged in the provision of Services and/or Deliverables to TalkTalk shall abide by the terms of clause 16.1 as if they were you.

17 GENERAL

17.1 You will at all times maintain in full force and effect at your own cost professional indemnity insurance in respect of negligence and breach of professional duty by you on a claims made basis with a limit of indemnity of not less than £500,000 for any one occurrence or series of occurrences consequent on one event or original cause.

17.2 The invalidity, illegality or unenforceability of any provision of these Terms will not affect the other provisions of the Terms.

17.3 You will not, assign, transfer or subcontract the Purchase Order, these Terms or any part of them to any other person, without

TalkTalk's written consent. Any such consent will not relieve you of your obligations under these Terms.

17.4 Unless stated otherwise in the Purchase Order, these Terms, the Purchase Order and any Specifications constitute the entire agreement between the Parties and supersede and extinguish all previous agreements, promises, assurances, covenants, indemnities, commitments, warranties, representations, statements and understandings between the Parties howsoever made, whether express or implied, and whether made innocently or negligently (**Statements**) relating to their subject matter. Each Party acknowledges that in entering into these Terms it does not rely on, and shall have no remedies in respect of any Statements that are not expressly stated in these Terms or the Purchase Order. Each Party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any Statements or terms of these Terms or the Purchase Order.

17.5 Nothing in these Terms or the Purchase Order shall limit or exclude any liability for fraud.

17.6 The failure to exercise or delay in exercising a right or remedy provided by these Terms or by law does not constitute a waiver of any of them or any other rights or remedies. A waiver of any breach of or default under these Terms does not constitute a waiver of any other breach or default and shall not affect the other terms of these Terms. Only a written notice expressly waiving compliance signed by an authorised director of the waiving Party, may waive any terms of these Terms.

17.7 The Parties acknowledge that they are independent from each other. Nothing in these Terms is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party the agent, employer or employee of the other Party, or authorise any Party to make or enter into any commitments for or on behalf of the other Party.

17.8 Save for TalkTalk's Affiliates, a person who is not a Party will have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Terms. This clause does not affect any right or remedy of any person, which exists or is available otherwise than pursuant to that Act. These Terms will enure for the benefit of TalkTalk and its Affiliates from time to time.

17.9 These Terms and each Purchase Order will be governed by and construed in all respects in accordance with the law of England and Wales and the Parties hereby submit to the exclusive jurisdiction of the English courts.

18 DEFINITIONS AND INTERPRETATION

18.1 In these Terms:

(a) words and expressions used with capital letters have the meanings given in the glossary below;

(b) the words **include**(**s**), **including** or **in particular** are deemed to have the words "without limitation" following them;

(c) a person includes a corporate or unincorporated body (whether or not having a separate legal personality);

(d) personal data, sensitive personal data and processing shall have the same meanings given to those terms respectively in the Data Protection Act 1998;

(e) a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and will include all subordinate legislation made from time to time under that statute or statutory provision; and

(f) words in the singular will include the plural and vice versa.

18.2 If there is any inconsistency between these Terms, the Specification and the Purchase Order, the Purchase Order will take precedence, then the Specification then these Terms.

GLOSSARY

Acceptance	the written acceptance from TalkTalk of the Deliverables and/or any Services.
Affiliate	in relation to a Party, any company which is a Subsidiary or a Holding Company or which is a Subsidiary of any such Holding Company from time to time (where **Subsidiary** and **Holding Company** have the meanings given in section 1159 and Schedule 6 of the Companies Act 2006).
Commencement Date	the date of the Purchase Order.
Confidential Information	any commercial or technical information in whatever form including business, statistical, financial, customer, marketing and personnel information, which is disclosed by one Party to the other and marked as "confidential" or similar or, if disclosed orally, is identified as such on disclosure, or which would be known to have such status to a reasonable business person.
Contractor	any third party engaged by TalkTalk to perform services on behalf of TalkTalk.
Control	the ability to direct your affairs whether by contract, shares or otherwise.
Deliverables	any item, goods or materials, including software, to be delivered by you pursuant to the Purchase Order whether one or a number of items (including any such item supplied in connection with the Services).
IPR	patents, trade marks, design rights, copyright, database right, trade or business names, applications for any of the foregoing, and other similar rights or obligations, whether registered or not and whether registrable or not, in any country (including the United Kingdom) for the full term of the rights together with any extensions.
Losses	all losses, including all costs that arise as a result of TUPE, liabilities (including provision for contingent liabilities), taxes, National Insurance Contributions, accrued pension liabilities, pension contributions, statutory and contractual employee costs including redundancy payments and salary costs during consultation, fines, damages, costs and expenses including reasonable legal fees on a solicitor/client basis, disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties.
Order	TalkTalk's order for the supply of Services and/or Deliverables, as set out in the Purchase Order and **Ordered** will be construed accordingly.
Party	TalkTalk or you and together the **Parties**.
Previous Supplier	any entity which has provided services equivalent to the Services prior to you or any of your subcontractors.
Price	the fixed, or time and materials, price for the Services and/or Deliverables.
Project IPR	IPR created by either TalkTalk or you after the Commencement Date as a result of the Services and/or Deliverables.
Purchase Order	the purchase order and any Specification (if referenced on such purchase order) issued by TalkTalk in respect of Deliverables and/or Services, together with any documents referred to therein.
Security Policy	TalkTalk's security policy, the latest version of which is available at www.talktalk.co.uk/Third_Party_Security_Policy, as updated from time to time.
Services	(if any) the services stated in the Specification and any Deliverables (or any of them) to be performed and delivered (as applicable) by you for TalkTalk pursuant to these Terms and any applicable Purchase Order.
Specification	the specification of the Deliverables and/or Services agreed by the Parties.
Successor Supplier	any person that provides services in replacement of any of the Services.
Supplier IPR	IPR owned by, or licensed to, you at the Commencement Date.
TalkTalk	TalkTalk Telecommunications Limited (registered in England and Wales with number 17131056) with registered office at Soapworks, Ordsall Lane, Salford, M5 3TT.
TalkTalk Data	Any personal data, sensitive personal data or non-personal data, in whatever form and however stored, supplied to you by or on behalf of TalkTalk.
TalkTalk IPR	IPR owned by, or licensed to, TalkTalk or its Affiliates at the Commencement Date.
Terms	these terms and conditions and any additional terms expressly agreed between the Parties in the Purchase Order.
TUPE	the Transfer of Undertakings (Protection of Employment) Regulations 2006.
Working Day	a day which is not a Saturday, Sunday or public holiday in England and Wales.