

Equipment

Schedule to the General Terms

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Supply of Equipment

Where the Customer selects the option of equipment supplied by BT as detailed in the Order Form, the following additional conditions shall apply:

1. General

- 1.1. BT will provide the necessary equipment, unless the Customer intends to provide it and has indicated so in the Order.
- 1.2. Unless otherwise specified, the price set out in the Order for CPE to be purchased by the Customer, includes delivery within the UK.
- 1.3. All Purchased Equipment and Supplied Equipment will be provided in accordance with the provision options set out in the Managed Service from BT Schedule.
- 1.4. BT may offer updates or modifications to Software or documentation provided as part of the Service. Any applicable Charges for such updates or modifications will be notified to the Customer at the time BT offers such updates or modifications.
- 1.5. For Cisco equipment purchased under this Contract, it is a condition of BT's Reseller Contract with Cisco Systems that if the Customer does not contract with BT for the provision of maintenance services, either provided directly or indirectly by BT, then the Customer shall confirm to BT in writing that they are taking maintenance services from an authorised Cisco channel partner. The Customer is responsible for ensuring that such confirmation is provided to BT.
- 1.6. If BT Equipment or Purchased Equipment is to be installed at a Site then, before the installation date, the Customer will at its own expense:
 - 1.6.1. obtain all necessary consents, including consents for any necessary alterations to buildings;
 - 1.6.2. provide a suitable and safe working environment, including all necessary trunking, conduits and cable trays, in accordance with the relevant installation standards;
 - 1.6.3. provide any electricity and telecommunication connection points required by BT;
 - 1.6.4. provide any openings in buildings required to connect the equipment to appropriate telecommunications facilities; and
 - 1.6.5. provide internal cabling between the BT Equipment and any Customer Equipment, as appropriate.

2. Purchased Equipment

- 2.1. BT will sell the Purchased Equipment to the Customer.
- 2.2. Risk in all Purchased Equipment will pass to the Customer on delivery to the Site.
- 2.3. Title in all Purchased Equipment shall pass to the Customer on payment in full of the purchase price specified in the Order Form. However, until payment has been received in full by BT, the Purchased Equipment shall appear in the Customer's books in the name of BT.

- 2.4. In the event that the Customer is unable to take delivery of the Purchased Equipment upon the agreed delivery date, BT may deliver the Purchased Equipment to a BT Location and the Customer will immediately be liable to pay to BT the portion of the charges for the Purchased Equipment (or the portion of it so delivered) as though delivery had been made.

2.5. Waste Electrical or Electronic Equipment (WEEE)

2.5.1. A crossed out wheellie bin symbol shown on the Purchased Equipment means that the Purchased Equipment is classed as Electrical or Electronic Equipment (EEE) under the European Parliament and Council Directive 2002/96/EC on Waste Electrical and Electronic Equipment, and the measures implementing this Directive in European Union Member States (the WEEE Directive). For the purposes of the WEEE Directive any EEE sold to the Customer under this Contract is classed as business to business (B2B) EEE.

2.5.2. The Customer and BT acknowledge that for the purposes of Article 9 of the WEEE Directive this paragraph 2.5 shall be an agreement stipulating other financial arrangements for the environmentally sound management of WEEE. When the Customer has no further use for the Purchased Equipment the Customer shall ensure that the Purchased Equipment is not mixed with other commercial or household waste on disposal. The Customer is entitled to return to BT on a one for one basis any equivalent electronic and electrical equipment which is being replaced with new Purchased Equipment as part of the Service. If returned to BT, the Customer shall arrange for and pay for the collection of same and BT shall be entitled to charge a return fee to arrange for the disposal of the WEEE in accordance with its obligations of either a producer or distributor (whichever the case maybe) in the WEEE Regulations.

2.5.3. If the Customer elects to dispose of the WEEE itself, the Customer acknowledges: (a) that it will do so at its sole cost and relieve BT of all responsibilities due to improper disposal of the waste product; (b) if BT is the "Producer" for the purposes of the WEEE Directive, BT shall upon written request from the Customer and without cost or charge to the Customer provide all information and data on any dangerous substance or preparation or hazardous substance contained in the product; (c) the Customer shall take on the obligations in the WEEE Directive for the sound environmental management of WEEE and hence the Customer shall be responsible for such information recording or reporting obligations imposed by the WEEE Directive and the measures implementing it in EU Member States; (d) the Customer shall ensure that the WEEE is treated in accordance with the requirements of Article 6 of the WEEE Directive; and (e) the Customer will become responsible for achieving the recovery and recycling targets stipulated in Article 7 of WEEE Directive.

3. Supplied Equipment

3.1. Where this Contract includes the provision of Supplied Equipment, on acceptance of the Service by the Customer as set out in paragraph 6.2.5 of the Managed Service from BT Schedule. the Customer shall recognise the Company as the owner of the Supplied Equipment (save as to intellectual property rights therein, which shall not vest in the Company or the Customer) in place of BT. Such Supplied Equipment shall then be held by the Customer on and subject to both the terms of the relevant Hire Agreement and to the extent applicable, this Contract. At no time shall any rights in or in relation to Supplied Equipment pass from BT to the Customer, save to the extent expressly provided in this Contract. Supplied Equipment shall be regarded from the time of acceptance as accepted from both BT and the Company.

3.2. Acceptance of this Contract by BT indicates that BT is willing to supply and install Supplied Equipment where applicable in accordance with this Contract but does not indicate that the Application has been or will be accepted by the Company. BT shall not at any time be taken to have accepted any Application on behalf of the Company and BT has no power to do so.

- 3.3. Subject to the terms and conditions of this Contract and to any rights or requirements of the Company relating to Supplied Equipment after it has been accepted by the Customer:
- 3.3.1. BT permits the Customer to have non-exclusive possession of Supplied Equipment at the Site from delivery of the Supplied Equipment until acceptance by the Customer, whereupon it shall be held as described in paragraph 3.1 above. Prior to acceptance, the Customer shall not either part with or share possession or control of, encumber or otherwise deal with Supplied Equipment or allow it to be seized to the satisfaction of debt or (without BT and the Company's written consent) move Supplied Equipment from its position at the Site or misuse or tamper with or repair or attempt to repair or adjust or modify Supplied Equipment in any way or connect it to other equipment nor permit any other person (except a person authorised by BT) to do so. Upon and after delivery of Supplied Equipment it shall cease to be at BT's risk and, subject to any contrary arrangement between the Company and the Customer, shall be at the Customer's risk.
- 3.3.2. Unless and until acceptance of the Supplied Equipment:
- (a) The Supplied Equipment shall stand in the Customer's books in the name of BT; and
- (b) The Customer shall take appropriate steps to notify third parties of BT's interest in the Supplied Equipment.
- 3.3.3. In the event of a threatened seizure of Supplied Equipment or of appointment of a receiver or liquidator, or any other event entitling BT to terminate this Contract, the Customer shall immediately notify BT.
- 3.4. In the event described in paragraph 3.3.3 above or any of the circumstances described in clause 19 of the General Terms, BT may recover possession of, disconnect and remove any Supplied Equipment not accepted as may be at the Site together with any CPE to be purchased from BT unless title in such CPE has passed to the Customer.

4. Customer's Existing Equipment

- 4.1. Where the Customer has selected to have its existing equipment maintained or maintained and managed by BT then BT shall be entitled to inspect and test such equipment at any time, and provision of this Service element shall be subject to the following:
- 4.1.1. successful completion of BT's Agreement to Assess Customer's Existing Equipment; and
- 4.1.2. the Customer's equipment being in good operating condition, at the appropriate operating level and capable of supporting BT's portfolio.
- 4.2. The maintenance of a Customer's existing equipment is only available where the Customer has selected a Maintenance Option, a Reactive Fault Management Option or Rapid Diagnostics Service or Standard or Enhanced Incident Management and Project Management with BT Desk Based Project Manager or BT Face to Face Project Manager.
- 4.3. The BT Desk Based Project Manager or BT Face to Face Project Manager, as appropriate, will work with the Customer to establish a project initiation document agree lead times and plan implementation testing and commissioning activities. The Service may vary at each Customer Site.

- 4.4. The Customer's existing equipment at each Site must have the same level of CPE Maintenance as selected for all other equipment at such Site.
- 4.5. Where the Customer has elected for BT to take responsibility of configuring the Customer's solution, as detailed in the Order Form, then BT must be given appropriate access to the Customer's equipment configuration and BT will require the Customer to specify its configuration requirements.
- 4.6. For the purposes of this paragraph 4, title and risk in any of the Customer's existing equipment will remain with the Customer.
- 4.7. The inventory list from BT's Agreement to Assess Customer's Existing Equipment will be incorporated into the Order Form of this Contract.
- 4.8. Where BT permits the Customer to compile the inventory list, the Customer is responsible for providing accurate information on the inventory list. If BT discovers there is CPE on the Customer Site that the Customer has failed to include in the inventory list, which should have been included in the inventory list, BT will, on receipt of written instruction from the Customer, add the CPE to the inventory list and apply the appropriate maintenance charges to the next bill. BT also reserves the right to apply retrospective maintenance charges for any CPE that should have been included in the Customer provided inventory list at the start of the maintenance Contract.
- 4.9. Where BT has to carry out any repairs, modifications or adjustments to any of the Customer's existing equipment or Software (including Software upgrades) which BT considers necessary to provide the Service, then the Customer shall pay BT's reasonable Charges for such work.
- 4.10. BT shall not be liable for any faults due to other maintainers or any other work carried out by previous maintainers.
- 4.11. The Customer is responsible for providing all necessary information to enable provision of the Service.
- 4.12. The Customer is responsible for advising BT of any changes to the Customer's existing equipment or that affect the inventory list subsequent to the completion of the Agreement to Assess Customer's Existing Equipment. Such changes will be subject to review by BT and may incur additional Charges.
- 4.13. The Customer is responsible for all existing cabling and ensuring that additional applications are not installed on their servers that are being maintained by BT, unless previously agreed by BT.

5. BT Equipment

- 5.1. Where the Customer has selected BT Equipment as detailed in the Order Form, then BT will provide equipment to be used with the Service.
- 5.2. Title in all BT Equipment will remain vested in BT at all times, and risk in all BT Equipment will pass to the Customer on delivery to the Site.
- 5.3. The Customer shall not either part with or share possession or control of, encumber or otherwise deal with BT Equipment or allow it to be seized to the satisfaction of debt or (without BT's written consent) move BT Equipment from its position at the Site or misuse or tamper with or repair or attempt to repair or adjust or modify BT Equipment in any way or connect it to other equipment nor permit any other person (except a person authorised by BT) to do so. The Customer will be liable to BT for any loss of or damage to the BT Equipment, except where the loss or damage is due to fair wear and tear or is caused by BT or anyone acting on BT's behalf.

- 5.4. BT has the right to recover any BT Equipment if this Contract is terminated or the Service is ceased at any Customer Site.
- 5.5. Where the BT Equipment is not part of a Network bundled solution then at the end of the Minimum Period of Service or Renewal Period, BT may permit the Customer to continue to use the BT Equipment in which case BT shall raise additional Charges.
- 5.6. In the event of any threatened seizure of any BT Equipment or if any of the events listed in clause 19 of the General Terms occur in relation to the Customer, the Customer shall notify BT immediately and BT may take action to recover the equipment. The Customer shall also notify interested third parties of BT's ownership of the BT Equipment.

6. Warranty

- 6.1. Where the Customer purchases Purchased Equipment or Supplied Equipment without CPE Maintenance, then BT will provide the manufacturer's warranty (or any other period confirmed in writing by BT), as appropriate, to the particular item of equipment valid from the date of acceptance as described in paragraph 6.2.5 of the Managed Service from BT Schedule. Any warranty statement or promise regarding CPE provided in accordance with this Contract shall only be valid if given in writing by BT.
- 6.2. This warranty will not apply if the Customer has selected a Maintenance option.
- 6.3. If BT provides the Customer with a Limited Lifetime Warranty on Purchased Equipment or Supplied Equipment then a maintenance option will not apply to that item of CPE.
- 6.4. If the Customer reports a fault during the warranty period and the fault is due to faulty design, manufacture, materials or BT's negligence, BT will replace or (at its option) repair the Purchased Equipment or Supplied Equipment provided that:
 - 6.4.1. the Purchased Equipment or Supplied Equipment has been properly kept and maintained in accordance with the manufacturer's or BT's instructions and has not been modified except by BT's written agreement; and
 - 6.4.2. the fault is not due to damage (including lightning and electrical damage) or the actions of anyone other than BT.
- 6.5. This warranty does not cover fair wear and tear.
- 6.6. If the Purchased Equipment or Supplied Equipment can be installed by the Customer, the Customer must return the faulty equipment to BT unless BT specifies otherwise.
- 6.7. If BT visits a Site in response to a fault and no fault is found, or the fault is not covered by the warranty, BT will raise additional Charges.
- 6.8. If Software is supplied under this Contract BT does not guarantee that it will be error free, but BT will correct errors within a reasonable time if they impair performance of the Purchased Equipment or Supplied Equipment.

7. Equipment Customer Responsibilities

- 7.1. Unless the Customer relies on BT's written advice, the Customer is responsible for ensuring the CPE provided under this Contract is suitable for its needs.

- 7.2. Unless otherwise expressly permitted by BT, the Customer agrees that all equipment such as routers, modems, terminal adapters or other devices by means of which a connection can be made between the Customer's WAN or LAN or both as appropriate, will constitute CPE and be subject to maintenance by BT in accordance with the requirements as set out in the Order.
- 7.3. It shall be the Customer's responsibility to provide suitable racking to house the CPE. The Customer will ensure that all areas containing permanently installed CPE will be maintained in a clean condition.
- 7.4. The Customer will not stack any equipment or materials on top of the CPE and will ensure it is properly ventilated at all times.
- 7.5. The Customer shall operate the CPE in accordance with any instructions issued by its manufacturer or by BT and shall not repair, adjust or modify it without BT's prior written consent. However, the Customer may make configuration changes in accordance with the procedure and parameters set out in any documentation applicable to the CPE, and shall keep BT informed of any such changes.
- 7.6. Where the Customer has not requested BT to provide CPE Maintenance on Purchased Equipment or Supplied Equipment, then any maintenance shall be the responsibility of the Customer and BT accepts no responsibility or liability for any such work which shall be carried out at the Customer's risk.
- 7.7. For Cisco equipment purchased in this Contract, it is a condition of BT's Reseller Contract with Cisco Systems that if the Customer does not contract with BT for the provision of maintenance services, either provided directly or indirectly by BT, then the Customer shall confirm to BT in writing that they are taking maintenance services from an authorised Cisco channel partner.

8. Defined Terms

In addition to the defined terms in the General Terms and Managed Service from BT Schedule, the following defined terms apply in this Schedule (and in the case of conflict between these defined terms and the defined terms in the General Terms, these defined terms will take precedence for the purposes of this Schedule):

"BT Location" means BT premises or a nominated BT sub-contractor premises.