

Managed Services Agreement



1. Term of Agreement

- 1.1 This Agreement shall commence upon Commencement Date and shall continue , unless terminated earlier in accordance with its terms, for 36 months (**Initial Term**) and shall automatically renew and extend for 12 months (**Extended Term**) at the end of the Initial Term and at the end of each Extended Term. Either party may give written notice to the other party not later than 90 days before the end of the Initial Term or the relevant Extended Term, to terminate this Agreement at the end of the Initial Term or the relevant Extended Term, as the case may be.
- 1.2 Without prejudice to any rights of either party that have accrued under this Agreement or any of its rights or remedies, this Agreement may be terminated by either party immediately upon written notice if:
- (a) the other party commits any material breach of this Agreement and fails to remedy such breach within thirty (30) days of receipt of written notice specifying the breach; or
 - (b) the other party terminates or suspends its business operations, unless it is succeeded by a permitted assignee under this Agreement; or
 - (c) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply; or
 - (d) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (being a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party; or
 - (e) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party; or
 - (f) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the other party (being a company); or
 - (g) the holder of a qualifying floating charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver; or
 - (h) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party; or
 - (i) the other party (being an individual) is the subject of a bankruptcy petition or order; or
 - (j) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other party's assets and such attachment or process is not discharged within 14 days; or
 - (k) any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in this clause (c) to clause (i) (inclusive); or
 - (l) the other party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.

- 1.3 This Agreement may be terminated by Excalibur upon ninety (90) days written notice to the Client.
- 1.4 If either party terminates this Agreement under clause 1.2 or 1.3 above, Excalibur will assist Client in the orderly termination of services, including timely transfer of the services to another designated provider. Client agrees to pay Excalibur the actual costs of rendering such assistance.

2. Fees and Payment Schedule

- 2.1 The services to be provided by Excalibur to the Client under this Agreement are as set out in Appendix B and are subject to the Client meeting the Minimum Standards defined in clause 5.1 (**Services**).
- 2.2 In consideration for the provision by Excalibur of the Services, Client shall pay to Excalibur the monthly fee agreed in the quotation. The Fee will be invoiced by Excalibur to Client on a monthly basis, and will become due and payable on the first day of each month. Excalibur may at its discretion suspend or cancel the provision of any of its services supplied to the client if payment of any instalment of the Fee is not received within 5 days following the due date for payment under this clause 2.2.
- 2.3 Significant changes in resource time change of +/- 20% in a quarter will constitute a reason for Excalibur implementing a cost adjustment (from Q2 of any support contract).
- 2.4 Excalibur has the right to review its standard charges at any time and will provide the client with 30 days' notice of any changes. The client has 30 days from receipt of this notice to cancel the agreement, providing 60 days' notice of termination.
- 2.5 If any payment is not made within thirty (30) days of receipt of an invoice for such payment then Excalibur may, without prejudice to its other rights, charge simple daily interest equivalent to an annual rate of 4% above the base rate of the bank that Excalibur use from time to time on sums owing from the date when payment was due (being thirty (30) days after the date of invoice on disputed amounts determined to be due) until the date that Excalibur receives payment of all sums outstanding including accrued interest. No interest shall be payable on any disputed amounts that are ultimately found (by a final court of competent jurisdiction) not to be payable.
- 2.6 It is understood that any and all services requested by Client other than the Services set out in Appendix B will be considered Projects, and will be quoted and billed as separate, individual services.

3. Taxes

- 3.1 All Excalibur charges herein will be exclusive of Value Added Tax ("VAT"). The Client shall pay VAT on all sums due under this Agreement at the rate and in the manner prescribed by law from time to time.

4. Limitation of Liability

- 4.1 Nothing in this Agreement shall exclude or limit Excalibur's Liability for (i) death or personal injury caused by negligence; (ii) the tort of deceit, or any act of fraud; (iii) any breach of any obligations implied by Section 12 Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982; or (iv) any other liability to the extent that such liability cannot be excluded or limited by law.
- 4.2 Subject to the above clause 4.1, Excalibur shall have no Liability for any of the following;
- 4.2.1 loss or damage incurred by the Client as a result of third party claims;
 - 4.2.2 loss of actual or anticipated profits;
 - 4.2.3 loss of business opportunity;
 - 4.2.4 loss of anticipated savings;
 - 4.2.5 loss of goodwill;
 - 4.2.6 injury to reputation; or
 - 4.2.7 any indirect, special or consequential loss or damage howsoever caused even if Excalibur was advised of the possibility of such loss or damage in advance.
- 4.3 Any liability as described in clause 4.2 is excluded whether it is foreseeable, known, foreseen or otherwise.
- 4.4 Save as provided in above and without prejudice, Excalibur's total aggregate liability in relation to any single event or series of related events shall be limited to 125% of the Fee paid to Excalibur for Services in the 12 months immediately prior to the date that such event or the first of such series of events occurred. If such date occurs during the first year of this Agreement,

such total aggregate liability shall be calculated by using the actual Fee paid and/or payable up to such date, divided by the number of calendar days since the Commencement Date, multiplied by 365 (or 366 in the case of a leap year).

- 4.5 Without prejudice to the above and save as provided in the above, Excalibur's total aggregate liability for all claims under this Agreement shall be limited to the aggregate Charges paid to Excalibur under this Agreement during the previous two years.
- 4.6 Without prejudice to clause 4.1, Excalibur shall have no liability to the Client for any claim brought more than two years after the first accrual of the cause of action which the relevant circumstances or events have given rise to.
- 4.7 The terms of this Agreement are in lieu of all other conditions, warranties or other terms concerning the supply or purported supply of, failure to supply or delay in supplying the Services and any goods which are provided or supplied in the course of performing the Services, which might but for this have effect between Excalibur and the Client or would otherwise be implied into or incorporated into this Agreement or any collateral contract, whether by statute, common law or otherwise, all of which are hereby excluded (including, without limitation, the implied conditions, warranties or other terms as to satisfactory quality and fitness for purpose).
- 4.8 Where the Services include Phishing simulation the Client acknowledges that this does not provide a guarantee that a phishing attack will not be successful, and Excalibur will have no liability whatsoever to the Client for any liability of the Client arising from such an attack.
- 4.9 The client hereby indemnifies and holds harmless Excalibur from and against any suit or proceedings brought against Excalibur that arises from any illegal activity by the Client or any associated persons, or breach of the client's obligations, representations or covenants contained within this Agreement.

5. Suitability of Existing Environment

5.1 Minimum Standards Required for Services

- 5.1.1 In order for Client's existing environment to qualify for Excalibur's Services, the following requirements (**Minimum Standards**) must be met:
 - 5.1.1.1 All Servers with Microsoft Windows Operating Systems must be running Windows 2012 Server, Microsoft Exchange 2013 or later, and have all of the latest Microsoft Service Packs and Critical Updates installed.
 - 5.1.1.2 All Apple equipment must be running MAC OS X 10.13 or later and have all updates installed.
 - 5.1.1.3 All Desktop PC's and Notebooks/Laptops with Microsoft Windows Operating Systems must be running Windows 10 Pro or later and have all of the latest Microsoft Service Packs and Critical Updates installed. If the Microsoft Office suite is installed, Microsoft Office 2013 or later must be installed.
 - 5.1.1.4 All server and desktop software must be genuine, licensed and vendor-supported.
 - 5.1.1.5 The environment must have a currently licensed, up-to-date and vendor-supported server-based Antivirus solution protecting all servers, desktops, notebooks/laptops, and email.
 - 5.1.1.6 The environment must have a currently licensed, vendor-supported server-based backup solution that can be monitored, and send notifications on job failures and successes.
 - 5.1.1.7 The environment must have a currently licensed, vendor-supported hardware firewall between the internal network and the internet.
 - 5.1.1.8 All wireless data traffic in the environment must be securely encrypted.
 - 5.1.1.9 There must be an outside static IP address assigned to a network device, allowing RDP or VPN access.
 - 5.1.1.10 Excalibur will only assume support for Viruses within this agreement where 5.1.1.4 above is in place and there are no users with local administration rights. Should the users have local administration rights, virus removal will be excluded from this Agreement.
 - 5.1.1.11 Virus removal under this agreement will be limited to 4 hours per user, per year, any time exceeding this amount will be charged for at the prevailing rate.
- 5.1.2 Costs required to bring Client's environment up to these Minimum Standards are not included in this Agreement.

5.2 Network Administration

- 5.2.1 Excalibur will only assume full responsibility for the operational status of the Client's IT network if the network administrator username and password is only known by Excalibur's engineers. This information is kept safely and securely by Excalibur and will not be disclosed to any employee of the Client. By the Client accepting this, any network related issues will fall within the terms of this Agreement and as such will not incur additional costs.
- 5.2.2 Should the Client wish to have the network administrator password, then Excalibur will still within reason accept responsibility for the administration of the network. In the event of any issues arising as a direct result of changes to the network by non- Excalibur employees or its sub-contractors then any remedial services performed by Excalibur will fall outside of this Agreement and will be subject to additional charges as detailed in Appendix B.

6. Excluded Services

- 6.1 The Services to be rendered under this Agreement do not include:
 - 6.1.1 Parts, equipment or software not covered by vendor/manufacturer warranty or support.
 - 6.1.2 The cost of any parts, equipment, or shipping charges of any kind.
 - 6.1.3 The cost of any software, licensing, or software renewal or upgrade fees of any kind.
 - 6.1.4 The cost of any third party vendor or manufacturer support or Incident fees of any kind.
 - 6.1.5 The cost to bring Client's environment up to the Minimum Standards.
 - 6.1.6 Service and repair made necessary by the alteration or modification of equipment other than that authorised by Excalibur, including alterations, software installations or modifications of equipment made by Client's employees or anyone other than Excalibur.
 - 6.1.7 Maintenance of applications software packages, whether acquired from Excalibur or any other source.
 - 6.1.8 Programming (modification of software code) and program (software) maintenance.
 - 6.1.9 Training services of any kind.
 - 6.1.10 Any issues caused as a result of fire, theft or natural disaster.
 - 6.1.11 Any issues caused by user damage or misuse of IT equipment

7. Confidentiality

- 7.1 Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, clients, clients or suppliers of the other party, except as permitted by clause 7.2.
- 7.2 Each party may disclose the other party's confidential information:
 - 7.2.1 to its employees, officers, representatives or advisers who need to know such information for the purposes of carrying out the party's obligations under this agreement. Each party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause 7; and
 - 7.2.2 as may be required by law, court order or any governmental or regulatory authority.
- 7.3 No party shall use any other party's confidential information for any purpose other than to perform its obligations under this agreement.

8. Force Majeure

- 8.1 Neither party shall be in breach of any obligation of this Agreement if it is prevented, hindered or delayed from performing such obligation by any matter or circumstance beyond its reasonable control.

9. Hardware and Software

- 9.1 Any new IT equipment to be added to the contract scope (including remote systems such as laptops) must be purchased from Excalibur prior to admittance to the network and being covered under managed services agreement.

9.2 Excalibur have no responsibility for damage caused to the user the equipment or software by unauthorised modification, misuse, or mishandling of equipment or operation outside the environmental specifications of the equipment or software including third party products not installed or configured by Excalibur.

10. Subcontracting and Assignment

10.1 Excalibur is entitled to subcontract any part of its obligation to provide the Services to any of its affiliates or competent third parties. Excalibur shall remain liable to the Client for the performance of any subcontracted obligation.

10.2 Save as set out in clause 10.1, neither party shall assign or transfer any of its rights or obligations under this Agreement without the written consent of the other party.

11. Variations

11.1 The parties shall review Services provided under this Agreement annually to address any necessary adjustments or modifications.

11.2 No variation of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

12. Intellectual Property Rights and Indemnities

12.1 In this clause 12, **Intellectual Property Rights** shall mean patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply for and be granted), renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

12.2 Title in all Intellectual Property Rights existing prior to the Commencement Date shall be the absolute property of and shall remain vested in the party that owned such rights immediately prior to that date. Each party acknowledges that it shall not acquire title or any rights or interest (except as expressly set out in this Agreement) in the other party's Intellectual Property Rights by virtue of the operation of this Agreement.

12.3 All Intellectual Property Rights created or developed in connection with the provision of the Services shall, unless otherwise agreed in writing by the parties, vest with EXCALIBUR.

12.4 The Client shall indemnify Excalibur from and against all costs, damages, losses, or expenses (including legal expenses) incurred by Excalibur in respect of any demands or claims received by EXCALIBUR that the Client has used the Services or the Equipment to infringe the Intellectual Property Rights of any third party.

13. Governing Law

13.1 This Agreement shall be governed by the laws of England. The Parties irrevocably submit for all purposes in connection with this Agreement to the exclusive jurisdiction of the courts of England and Wales.

14. Entire Agreement

14.1 This Agreement constitutes the entire agreement between the Client and Excalibur for the provision of the Services.

14.2 The terms and conditions of this Agreement shall prevail should there be any variance with the terms and conditions of any order submitted by the Client.

15. Non-Solicitation

15.1 Neither party shall (except with the prior written consent of the other) during the term of this Agreement, and for a period of six months thereafter, other than in the normal course of business between Excalibur and the Client, directly solicit the services of any staff of the other party who have been engaged in the provision of the Services or the management of this Agreement. In the event that this happens a fee of 35% of the annual salary of such staff will become immediately payable by the party in breach of this clause 15 to the other party.

16. Data Protection

16.1 The Parties shall comply with the provisions of the General Data Protection Regulation as amended or replaced from time to time. The Customer consents to Excalibur processing data relating to the Customer or End-User for legal, administrative and

management purposes and as necessary for Excalibur to verify the credit worthiness of the Customer and for the fulfilment of this contract. The Customer accepts that Excalibur may make such information available to third Parties who provide products and services to Excalibur and to any regulatory authorities, governmental or quasi-governmental organisations.

- 16.2 Protecting your personal information is important to Excalibur. Our privacy policy which sets out how we do this is available here: <https://www.excaliburcomms.co.uk/gdpr-policy/>. This policy explains the information that we hold, how we use it, and how long we keep it for.

17. Waiver

- 17.1 No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

18. No partnership or agency

- 18.1 Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, nor authorise any party to make or enter into any commitments for or on behalf of any other party.

19. Severance

- 19.1 If any court or competent authority finds that any provision of this Agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this Agreement shall not be affected.
- 19.2 If any invalid, unenforceable or illegal provision of this Agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

20. Notices

- 20.1 Any notice or other communication required to be given to a party under or in connection with this contract shall be in writing and shall be delivered by hand or sent by pre-paid first-class post or other next working day delivery service, at its registered office (if a company) or (in any other case) its principal place of business, or sent by fax to the other party's main fax number.
- 20.2 Any notice or communication shall be deemed to have been received if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address, or if sent by fax, at 9.00 am on the next Business Day after transmission, or otherwise at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service.
- 20.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution. For the purposes of this clause, "writing" shall not include e-mail.

21. Counterparts

- 21.1 This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

22. Third party rights

- 22.1 Except as expressly provided elsewhere in this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

Appendix A

Response and Resolution Times

The following table shows the targets of response and resolution times for each priority level, subject to no dependence on external third parties:

Priority	Response Time (in working hours)	Target to fix * (working hours)	Examples
P1	Within 1 hour	4	No staff can logon Business applications down for all staff – resolution will be coordinated with business application provider
P2	Within 2 hours	8	Single user unable to logon No Email
P3	Within 4 hours	16	Single user unable to complete some work (i.e. access to certain drives)
P4	within 10 hours	25	Network admin New user setups How do I tasks PC rebuilds Move / add / change a user account / email address Set email redirection / access levels to email accounts

A response time is considered as the acknowledgement of the request for assistance and also depends on the contact being within working hours.

Support Tiers

The following details and describes our Support Tier levels:

Support Tier	Description
Tier 1 Support	All support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated.
Tier 2 Support	All support incidents that cannot be resolved with Tier 1 Support are escalated to Tier 2, where more complex support on hardware/software issues can be provided by more experienced Engineers.
Tier 3 Support	Support Incidents that cannot be resolved by Tier 2 Support are escalated to Tier 3, where support is provided by the most qualified and experienced Engineers who have the ability to collaborate with 3rd Party (Vendor) Support Engineers to resolve the most complex issues.

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Appendix B

Service Rates

Labour	Rate
Remote PC Management/Help Desk 8am-6pm M-F	INCLUDED
Remote Printer Management 8am-6pm M-F	INCLUDED
Remote Network Management 8am-6pm M-F	INCLUDED
Remote Server Management 8am-6pm M-F	INCLUDED
24x7x365 Network Monitoring	INCLUDED
Lab Labour 8am-6pm M-F	INCLUDED
Onsite Labour 9.00am-5.30pm M-F	EXCLUDED

Coverage

Remote Helpdesk and Vendor Management of Client's IT networks will be provided to the Client by Excalibur through remote means between the hours of 8.00 am – 6.00 pm Monday through Friday, excluding public holidays. Network Monitoring Services will be provided 24/7/365.

Hardware costs of any kind are not covered under the terms of this Agreement.

Support and Escalation

Excalibur will respond to Client's Support Tickets under the provisions of Appendix A. Support after hours or on holidays may be provided at Excalibur's discretion where there is resource available, but Excalibur shall not be obliged to provide such support. Support Tickets must be opened by email to Excalibur's Help Desk, or by phone if email is unavailable. Each call will be assigned a Support Ticket number for tracking.

On Site visits

All work where possible will be completed remotely and if required with the assistance of an employee of the Client.

Service outside Normal Working Hours

Emergency services performed outside of the hours of 8:00 am – 6:00 pm Monday through Friday, excluding public holidays, shall be subject to provisions of this Appendix B.

Service Calls Where No Trouble is found

If Client requests onsite service and no problem is found or reproduced, Client shall be billed at the current applicable rates as indicated in this Appendix B.

Additional Maintenance Services

Hardware/System Support

Excalibur shall provide support of all hardware and systems, provided that all hardware is covered under a currently active manufacturer warranty; and all software is genuine, currently licensed and vendor-supported. Should any hardware or systems fail to meet these provisions, they will be excluded from this Agreement. Should third party vendor support charges be required in order to resolve any issues, these will be payable by the Client (though Excalibur shall first obtain the Client's authorisation to incur them).

Virus Recovery for Current, Licensed Antivirus protected systems

Attempted recovery from damages caused by virus infection not detected and quarantined by the latest Antivirus definitions is covered under the terms of this Agreement. This service is limited to those systems protected with a currently licensed, vendor-supported Antivirus solution.

Monitoring Services

Excalibur will provide ongoing monitoring and security services of all devices. Should a problem be discovered during monitoring, Excalibur shall attempt to rectify the condition in a timely manner through remote means.

Data Back-Up

Excalibur have no responsibility for failure of any backup process. The responsibility for backups that require physical management for example swapping of tapes or other media lies with the Client.