

SCHEDULE 2 – PROFESSIONAL SERVICES

1. DEFINITIONS

- 1.1 The following definitions in this paragraph 1 apply in this Schedule 2 (Professional Services).

Acceptance Criteria: the acceptance criteria as specified in paragraph 2.2 of this Schedule 2 or referred to in Statement of Work or as otherwise agreed by the Parties expressly in writing after the date of the Statement of Work against which the Acceptance Tests are to be carried out to determine whether the Deliverables meet the Statement of Work, are satisfactory and ready to be invoiced.

Acceptance Tests: the acceptance tests as specified or referred to in the Statement of Work or as agreed between the Parties, to be undertaken to determine whether the Deliverables meet the Acceptance Criteria.

Issues List: a written list of the non-conformities to the Acceptance Criteria for a specific Deliverable.

- 1.2 Except as defined in this Schedule 2, capitalised terms shall have the meanings given to them in the Agreement.
- 1.3 To the extent applicable to Professional Services, in the event of conflict with the terms of this Schedule 2 and the Agreement, the provisions in this Schedule 2 shall take precedence and in the event of a conflict with the terms of this Schedule 2 and Statement of Work, the provisions of the Statement of Work shall take precedence over this Schedule 2.

2. ACCEPTANCE OF THE PROFESSIONAL SERVICES

- 2.1 The relevant Statement of Work shall specify the Deliverables or Services (as the case may be) that are to be subject to Acceptance Testing and provide a framework for the nature of the testing that will be required.

- 2.2 In relation to any Acceptance Testing:

- (a) The Client shall have a reasonable period of time, up to five (5) Business Days unless otherwise specified in the Statement of Work, from the Supplier's delivery of each Deliverable under the relevant Statement of Work (the "Acceptance Period") to confirm that such Deliverable conforms to the acceptance criteria as agreed between the Parties (collectively, the "Acceptance Criteria"). If the Client determines that a Deliverable does not conform to the Acceptance Criteria, the Client shall by the last day of the Acceptance Period provide to the Supplier an Issues List of the non-conformities to the Acceptance Criteria.
- (b) The Client shall use best efforts to correctly and efficiently ensure appropriate Acceptance Testing in relation to any Deliverable which is subject to Acceptance Tests and shall notify the Supplier within the Acceptance Period (as defined in paragraph 2.2 (a) of this Schedule 2) if any of the Deliverables do not conform to the Acceptance Criteria. In the event that Client has undertaken the Acceptance Testing within the Acceptance Period and fails to reject any Deliverable within the relevant Acceptance Period, for all purposes under this Schedule such Deliverable shall be deemed accepted as if the Client had issued a written acceptance thereof. Once the Deliverable has been accepted by the Client and payment has been settled in accordance with Clause Error! Reference source not found. of the Agreement, the Deliverable shall become the property of the Client. For the avoidance of doubt, should any non-conformities be found in earlier stages of the Deliverables but which were not highlighted to the Supplier during the applicable Acceptance Period, such non-conformities shall not be subject to the remedies as set out in paragraph 2.2 (d) of this Schedule 2 below.
- (c) If:
 - (a) the Client does not provide any written comments in the initial period described in paragraph 2.2(a) above;
 - (b) commences live running of the whole or part of such Deliverable other than in the course of undertaking Acceptance Testing; or

(c) if Deliverables or Services are found to conform with the Statement of Work;

then in each case the Service or Deliverable shall be deemed accepted from the date of the notification by the Supplier pursuant to paragraph 2.2(a).

- (d) If there are any non-conformities within any Deliverable, which have been highlighted by Client or the Supplier during the Acceptance Period and whereby the Deliverable has not been accepted by the Client for this reason and such non-conformity is a directly attributable act or omission on the part of the Supplier (and not subject to a Change Request or attributable to the Client's acts or omissions including inadequate Acceptance Testing) the Supplier shall (without prejudice to the Client's other rights and remedies) carry out all necessary remedial work without additional charge as part of the next Deliverable which shall accordingly be modified.
- (e) If any non-conformity cannot be remedied by the Supplier due to an error, defect or fault which the Supplier is able to demonstrate to the reasonable satisfaction of the Client to be outside the Supplier's control and which has disabled the Supplier's ability to remedy such non-conformity, then the Supplier reserves the right to terminate work on that specific Deliverable. The Supplier agrees not to charge Client, any amounts paid or payable by Client to Supplier which specifically relate to the non-conforming Deliverable which cannot be remedied.