

1. Agreement Structure

- 1.1 This document outlines our standard billing and payment terms for all Services.
- 1.2 This Billing Guide should be interpreted in the same way as the MSA, and capitalised terms have the same meaning.

2. Fees and Expenses

Service Fees

- 2.1 Fees payable for the Service(s) shall be set out in the applicable Order Form, and shall be identified as one of the following types of Fees:
 - (a) **"Non-recurring Fee"** or **"Set-Up Fees"**, meaning the initial or one-off Fees applicable to the Service;
 - (b) **"Recurring Fees"**, meaning the Fees applicable to the Service, payable periodically (e.g. monthly, quarterly, annually) whether for a fixed volume or time, regardless of usage, or for usage-based Fees applicable to the Service; and

Additional Fees

- 2.2 Supplier shall be entitled to charge for any additional Fees reasonably incurred:
 - (a) in accordance with Clauses 5.5 and 15.1 of the MSA; and
 - (b) for all time resolving:
 - (i) any complaints or reports received from any governmental or other competent authority or from any emergency service organisation in relation to Client's use of the Services; and
 - (ii) any issues that have arisen as a result of:
 - (1) Client's failure to use any Services in accordance with applicable instructions; or
 - (2) Client's unauthorised attempts to maintain or alter any Services other than in accordance with the Agreement (including any breach of the Acceptable Use Policy).

Minimum Commitments

- 2.3 The Parties may agree a minimum commitment, either for volume of resources (people, space, capacity, computing cycles, etc.) or for an amount of money over a period of time. If agreed,



this will be recorded in an Order Form. The pricing of those services will reflect the value to the Parties of the volume commitment. If the Client does not use the minimum commitment in the relevant time period, the Client will remain obliged to pay an amount equivalent to the minimum commitment (and shall not be entitled to carry over or take any service credit for unused portions).

Expenses

- 2.4 Client shall reimburse Supplier for all actual and reasonable travel expenses including airfares, hotels, and meals incurred by Supplier in performance of Services at the rates specified in the Order Form or at the Supplier's then stated standard rates if not specified in the Order Form. We will endeavour to recharge them promptly and no later than the next invoice in the month following the date when they are incurred.

Third Party Fees

- 2.5 Supplier will recharge any third-party expenses agreed with Client and shall endeavour to recharge them promptly and no later than the next invoice in the month following the date when they are incurred.

3. Billing Periods and Frequencies

- 3.1 Unless otherwise set out in the Order Form, Supplier shall invoice Client for the Fees in accordance with the billing periods and billing frequencies set out in this Section 3. However, any delay to the issue of an invoice shall not affect Client's liability to pay it.
- 3.2 All invoices and payments under the Agreement shall be in pounds sterling (£) unless specifically agreed otherwise.
- 3.3 Unless specifically agreed otherwise, if the Supplier agrees to charge the Fees in any other currency, the Fees will be calculated in pounds sterling (£) as at the date of the relevant Order Form and subsequent invoices shall be generated by converting that pounds sterling (£) sum back into the relevant currency, in each case using the monthly exchange rate published by HMRC and applicable at the relevant Order Form or invoice date.
- 3.4 Supplier reserves the right to invoice Client through Supplier or any Supplier Affiliate from time to time.

Set Up Fees, Billing Start Date

- 3.5 All Set-Up Fees will be billed by default on or shortly after the Ready for Service Date.

Equipment, Hardware and Licence Sales (Non-Recurring Fees)

- 3.6 One-off purchases and Non-Recurring Fees for equipment, hardware and licences (e.g. hardware; domain names, SSL certificates, perpetual software licences) will be billed on or shortly after the date of the relevant Order Form.



Consultancy and Professional Services (Non-Recurring Fees)

- 3.7 Unless otherwise specified in the relevant Order Form or Statement of Work, orders for projects or professional services will be charged in advance of delivery, on the date of the order. Where the Parties agree payment upon delivery of the Services or completion of specific milestones, and Client fails to book resources or to provide the co-operation necessary to enable delivery of the Services within twelve (12) months from the date of the Order Form, Supplier shall have the right to terminate the relevant Agreement upon notice, in which event Client will remain liable to pay for all Fees due under the Agreement being terminated.
- 3.8 Supplier has the right to withdraw services and retain any information and materials in the event of non-payment.
- 3.9 Additional work requested from Supplier's support team, outside the scope of Client's Agreement, will be billed at Supplier's standard rates.

Activity Based Fees (including Move, Add, Change, Delete)

- 3.10 If Client requires Supplier to carry out an activity that is chargeable, for example to implement a change, to carry out an activity, or as part of an action specified as chargeable in a Service Description, Supplier will by default apply its standard charge for the relevant activity. This will be billable immediately, but Supplier will seek as far as reasonably practical to record and apply the charge to Client's next regular invoice.

Service Contracts

- 3.11 Supplier will start invoicing Client for the Recurring Fees on or shortly after the Ready for Service Date of the relevant Service.

Monthly, Quarterly and Annual Charges

- 3.12 For Services that are billed monthly, Supplier will bill monthly in advance.
- 3.13 For Services that are specified to be quarterly, Recurring Fees are billed quarterly in the month prior to the bill quarter. Bill quarters are based on calendar quarters (Jan-Mar; Apr-Jun; Jul-Sep; Oct-Dec). For any part-periods, at the start or end of a contract, will be calculated on a pro-rated basis.
- 3.14 Where Services are charged annually (e.g. certain licences) in the course of a multi-year commitment, these will be billed from the agreed start date and will be invoiced in the month prior to the date when the annual period commences.

Line Rental

- 3.15 Mobile service plan charges and wholesale line rental will be billed monthly in the period prior to the bill period.



Usage Consumption

- 3.16 Usage-based charges will be billed in arrears, and will be billable from the month following the consumption period (except as noted below or as specifically agreed otherwise). We will endeavour to bill in the following month, but if a sum is delayed for any reason it may be applied to any later bill. It is noted that Services may be composed of both fixed charges (billable in advance) and consumption or usage based charges (billable in arrears).

Call Usage

- 3.17 Call usage (both mobile and/or fixed line) will be rated against usage tariff agreed by the Parties and billed per calendar month. Charges are billed in the month following the call period.
- 3.18 Call usage will be summarised on your invoice; a full itemised detailed report of all calls can be viewed and downloaded via the Client Portal at: <https://billingportal.6dg.co.uk/>.

Private and Public Cloud Infrastructure Usage

- 3.19 Variable Cloud charges are billed monthly in arrears.
- 3.20 The minimum committed amount in any minimum commitment arrangements (where an agreed volume of usage is fixed for a period as described at clause 2.3 above) will be charged quarterly in advance as a Recurring Fee. Any consumption above the committed amount will be billed as monthly usage in arrears.

Hourly Metered Usage

- 3.21 Where Hourly Metered Usage applies, consumption is measured hourly. Changes to add or remove resources will be reflected in the hour following the change.
- 3.22 If cloud services are turned off, but not deleted, CPU and RAM charges will stop, but storage and network charges will remain payable until permission to delete is provided by the Client.

Other Consumption Based Contracts

- 3.23 If specified in the Order Form, Supplier may implement:
- (a) A monthly consumption model that is billed monthly in arrears based on resource usage in the previous month;
 - (b) A fixed term consumption model, based on historic consumption, and billed either monthly or quarterly in advance based on historic performance and then adjusted in the following invoice to reflect actual consumption; or
 - (c) An advance payment for a discounted volume of consumption, at the end of which the Client may choose to end the arrangement, or agree a renewal (on similar or varied terms).



Microsoft Azure

- 3.24 Clients can request a breakdown summary of their Azure usage bill in a given month to support the invoice, if transacted via Supplier's Cloud Solution Provider (CSP) licence agreement.
- 3.25 If included in the relevant Service, Azure customers have access to an on-demand Azure cost management portal to query historical, current and forecasted trend of their Azure spend and breakdown.
- 3.26 Azure Reserved Instances purchased on behalf of the Client may be specified on the Order Form to be charged in full and payable at the point of order or as a monthly recurring fee.
- 3.27 Azure Management Fees are billed as usage, monthly in arrears, unless they form part of a wider minimum commit contract (in which case they are billed as a Recurring Fee, quarterly in advance).

4. Milestone Payment

- 4.1 If specified in a Statement of Work or an Order Form, the Parties may agree milestones for project delivery against which there are payment milestones. Upon completion of a milestone (determined by certification of completion by the Supplier acting reasonably and properly) Client will pay the relevant specified fees associated with completion of the milestone.

5. Payments

Payment Terms

- 5.1 Client shall pay the Fees within thirty (30) days from the date of the invoice unless the amount in question is disputed in accordance with Section 5.2 of this Billing Guide.

Disputed Payments

- 5.2 If Client has a genuine dispute about any Fees, it must provide details to Supplier within twenty-one (21) days of receipt of the relevant invoice, stating the invoice item which is disputed, and must pay all other elements of the relevant invoice by the due date for the invoice.
- 5.3 If no notice of a disputed invoice is given within twenty-one (21) days, Client shall be deemed to accept the invoice in full.
- 5.4 Upon resolution of the dispute and where the resolution determines that Client owes to Supplier some or all of the disputed amount, Supplier shall apply a credit note against the next following invoice or if agreed or for final or non-recurring invoices) issue another invoice in respect of that amount, which, Client shall pay as soon as possible and in any case within thirty (30) days of that invoice along with interest at the rate set out in Section 5.8 of this Billing Guide for the period between when the amount became due under the original invoice and when it was actually paid by Client.
- 5.5 If the parties cannot reach agreement on the disputed sums, the dispute shall be resolved in accordance with Clause 21 of the MSA.



Payment Method

- 5.6 Save where the Order Form states otherwise, Client shall pay (and Supplier may collect) all sums due under any Agreement by way of variable direct debit in accordance with the direct debit mandate attached to the Agreement or as varied from time to time. Supplier may request that Client and Client agrees to pay a deposit, or to pay in advance as security for the Fees, and/or to set a total credit limit for amounts due from time to time.
- 5.7 If payment is agreed by BACs, payment must be made at least three (3) days before the end of the relevant period to ensure that cleared monies are received.

Non-Payment

- 5.8 If any undisputed sum payable under an Agreement is not paid on or before the due date of the invoice in accordance with Section 5.1 of this Billing Guide then, without prejudice to any other rights it may have, Supplier will be entitled to charge Client interest on that sum at the rate of four per cent (4%) per annum above the base lending rate from time to time of The Royal Bank of Scotland plc from the invoice due date until the actual date of payment, such interest to accrue on a daily basis.
- 5.9 Client shall reimburse all reasonable costs and expenses (including legal costs) incurred by Supplier in the collection of any overdue amount.

6. Fee Revisions

General Revisions

- 6.1 Supplier reserves the right to revise the Fees for each Service:
- (a) with effect from the first day of each Extended Service Term, by giving not less than ninety (90) days' notice in writing to Client, such notice to expire on the last day of the Initial Service Term or the relevant Extended Service Term; and
 - (b) no more than once in any year following the Service Commencement Date, by a sum equal to any percentage increase in the published Retail Prices Index (published by the Office for National Statistics, or any replacement method of indexation).
- 6.2 In the event that Client does not accept the fee revision at Section 6.1(a) above, Client shall be entitled to terminate the Agreement for the relevant Service by giving not less than sixty (60) days' notice in writing, such notice to expire on the last day of the Initial Service Term or the relevant Extended Service Term.
- 6.3 In the event that Client fails to provide such notice, the said revision to the Fees shall be deemed accepted by the Client.

Scope Revisions

- 6.4 Fees in relation to any particular Services may be amended at any time by the Supplier giving not less than two (2) months' notice to the Client if:



- (a) the scope of, or functionality required in, the Services changes or increases as a result of Client's changes, requirements or instructions; or
- (b) there is any material increase in the cost of the Services or other items that Supplier must procure from third parties for the provision of the Services.

Revisions due to Variation

- 6.5 The Parties may agree revisions to the Fees and when they become payable as part of any variation of an Agreement.
- 6.6 If a Party seeks to change the volume of resourcing materially, and, in particular, if there is a change to committed volumes, or a change to the timeframe for delivery, the Supplier may revise the price it charges (on a unit or whole basis) on a commercially reasonable basis up or down accordingly (and this revision will override any estimates or pricing previously provided).

Revisions due to Subcontractor or Licensed Provider Fee increases

- 6.7 If as any part of the Services the Supplier is providing third party licensed software or services, and the third party supplier increases the charges to the Supplier, or if there is a material change in exchange rate between the currency in which the third party sells such software or services and the Supplier buys, then the Supplier will be entitled to pass on the increase in Fees proportionately during the Term of an Agreement to the Client at the same time (providing as much notice as reasonably practicable to the Client).

Revisions Following Expiry of a Fixed Term

- 6.8 If any Service is continued (as set out in the MSA) for a shorter period than the Extended Service Term, and unless specifically agreed otherwise in writing, the MSA specifies that the price shall change to the Supplier's standard price for that shorter period of commitment. This means, for example, a monthly continuation will be priced according to Supplier's standard pricing for a monthly fee, which would usually be higher reflecting the impact on costs and efficiency of a shorter commitment period.

Power Costs

- 6.9 Where Supplier provides power to Client or Client's equipment, Supplier will be entitled (acting reasonably) after giving Client reasonable notice to increase the price of the power component proportionately so as to include any increased charges that Supplier properly incurs for the cost of power.

End of Life Services

- 6.10 If, at any time during the Service Term, any Service procured by Client becomes an End of Life Service, Supplier shall be entitled to increase the Fees payable by Client upon thirty (30) days' notice to reflect the additional operational costs incurred by Supplier for the provision of such End of Life Service.



- 6.11 Where Client is procuring End of Life Services and the relevant third-party vendor increases the charges for the provision of temporary end of life support, Supplier shall be entitled to increase the Fees payable by Client proportionately providing as much notice as reasonably practicable.
- 6.12 Supplier reserves the right to charge Client at Supplier's standard professional service rate for (i) any change to End of Life Services requested by Client, regardless of whether the change is defined as a standard change in the relevant Service Description; and (ii) any remediation activity that Client requires Supplier to perform to attempt the resolution of any issues arising from Client's use of the End of Life Services.

Other Revisions

- 6.13 The Fees specified in the Order Form are exclusive of, and may be increased without notice as a result of, the imposition by any relevant authority of any tax, impost, levy or charge including any 'green levy' such as the carbon reduction commitment or the climate change levy and non-domestic rates on fibre optic networks.

7. Exit, Termination and Early Termination Fees

- 7.1 There are no fees payable specifically for termination where notice has been properly given in accordance with the MSA.
- 7.2 It is the Client's responsibility to ensure that the Services being terminated are clearly expressed in the termination notice. If the termination request is unclear or ambiguous, Supplier will endeavour to contact Client to clarify, but Supplier will take a cautious approach to avoid switching off Services or deleting data for Services that Client doesn't intend to terminate. Client will be liable for any delay in termination that results. Supplier recommends using the termination form available on the client portal to help ensure that the termination request is clear.
- 7.3 Supplier will calculate any early termination fee by reference to spend committed under existing Agreements in accordance with clause 12 of the MSA. Supplier will calculate the total for any Agreement being terminated or partially terminated by reference to the Services being terminated and the remaining Initial Service Term and any Extended Service Term (pro rating any parts according to the number of days as a proportion of the days remaining in the term).
- 7.4 *For the avoidance of doubt, Supplier will include in this calculation time that has been committed (by the placing of an order or the extension of term by renewal) from the time when that order is placed by Client or the renewed term is renewed, until the expiry of the term. This will be calculated and payable regardless of when the relevant Service is terminated and whether or not Client is using that Service.*
- 7.5 Early termination fees will be calculated and invoiced following receipt of termination from the Client and payable on or before the termination date.
- 7.6 If Client is procuring non-recurring Services or professional services, or if no specific Service Term is defined, Client may cancel the relevant Order Form by notice in writing before delivery of the Services subject to payment of a cancellation fee equal to the Fees payable under the Order Form.



- 7.7 Upon receipt of a Client's termination notice, Supplier reserves the right to charge Client for all Fees payable during the remainder of the Service Term, such charges to be payable by Client before the relevant due date of the final invoice provided by Supplier.

8. Procedures and Guidance

Changing the Presentation of your Bill

- 8.1 Purchase Orders will be quoted on the bill where provided at the point of order.
- 8.2 Charges can be grouped by Cost Centre/Category on request to aid Client's cost allocation/approval.
- 8.3 Where Client has multiple or varied bill periods for recurring charges and would like to align to fixed calendar quarters, Supplier may put this alignment in place.
- 8.4 Client can contact Supplier at billing@6dg.co.uk to discuss specific requirements.

Changing your Bill Frequency

- 8.5 Supplier's bill frequencies vary by product. Details will be shown on the Order Form. If Client wishes to move from quarterly or annual charges to monthly, Supplier will require payment by direct debit and will apply a 5% uplift to the standard Recurring Fees in order to spread payment.

Changing your Minimum Commit (for Cloud or Azure Usage Products)

- 8.6 Client can contact the Account Manager if it wishes to increase the minimum commit usage agreement.

Cancelling a Service

- 8.7 If you wish to cancel your service, please contact terminations@6dg.co.uk.

9. Contact Us

- 9.1 The following means of contact do not replace or amend the notices provision set out in the MSA.

Billing

- 9.2 For billing queries, Client can contact the Billing Team on 0800 012 8060 [option 4] or at billing@6dg.co.uk.

Credit Control

- 9.3 To make a payment, discuss payment options, or raise a dispute, Client can contact the Credit Control Team on 0800 012 8060 [option 6] or at credit.control@6dg.co.uk.