

**Transam Maintenance & Software
Support Contract
for
<CUSTOMER NAME>**

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TRANSAM MICROSYSTEMS LIMITED
HARDWARE MAINTENANCE & SOFTWARE SUPPORT CONTRACT
TERMS & CONDITIONS

SECTION 1**1. GENERAL**

Notwithstanding anything to the contrary this Agreement contains the only terms upon which Transam will carry out Maintenance and Software Support Services and shall not be varied unless expressly agreed in writing, signed by a Director of Transam.

Each of the provisions of this Agreement is distinct and severable from the others and in the event that any one or more of the provisions contained in this Agreement shall for any reason be or become unenforceable, illegal or otherwise invalid in any respect (whether wholly or in part), such unenforceability, illegality or invalidity shall not affect any other provisions of this Agreement.

Transam reserves the right to sub-contract any of the Services to be provided under this Agreement and to assign this agreement in whole or in part to a third party.

2. PERIOD OF AGREEMENT

This Agreement shall remain in force for the Initial Period and shall be automatically renewed thereafter for periods of one year (each such period being referred to as a "Renewal Period"), unless terminated in part or full by either party giving written notice to the other at least 90 days before the date of expiry of the Initial Period or any Renewal Period.

3. TERMS OF PAYMENT

The Customer shall pay within 14 days of the date of the invoice(s). Transam reserves the right to charge interest on a daily basis on outstanding sums at the rate of 4% above Lloyds Bank plc's base rate per annum as published from time to time.

4. CHARGES

Transam may vary the Contract Charge or any component of it, upon giving notice in writing prior to the expiry of the Initial Period or any Renewal Period, as appropriate. Such variation will take effect upon the expiry of the Initial Period or the relevant Renewal Period, save that the Customer shall have the right to terminate this Agreement by giving notice in writing to Transam within 30 days of receipt of the notice of variation in the Contract Charge from Transam.

Transam shall have the right to charge the Customer at the applicable rates in the following circumstances; For services undertaken which are outside the Contract specification;

Where Transam are denied access to a Site for any reason; or

Where Transam are obliged to carry out additional or unnecessary work as a result of incorrect actions or inadequate information provided by the Customer;

5. TRANSAM WARRANTY

Transam warrants that the Services shall be supplied and rendered with all due skill, care and diligence by appropriately experienced, qualified and trained personnel in accordance with good industry practice.

6. LIMITATION OF LIABILITY

Transam shall not be liable for any loss or damage sustained or incurred by the Customer or any third party (including without limitation any loss of use of the Equipment or loss of or spoiling of the Software or the Customer's programs or data) resulting from any

breakdown of or fault in the Equipment or the Software unless such breakdown or fault is caused by the negligence or wilful misconduct of Transam, its employees, agents or sub-contractors or except to the extent that such loss or damage arises from any unreasonable delay by Transam in providing the Services.

Except in respect of injury to or death of any person caused by Transam's negligence the liability of Transam under these Terms and Conditions in respect of any one event or series of events arising out of a single cause shall not exceed £1,000,000 (One Million Pounds). Notwithstanding anything else contained in these Terms and Conditions Transam shall not be liable to the Customer for any loss of profits, contracts, business, revenue or goodwill or indirect, special or consequential loss arising under or in connection with these Terms and Conditions, whether arising from negligence, breach of contract or otherwise.

Except as expressly provided in these Terms and Conditions, all conditions, warranties or representations, express or implied, statutory or otherwise, relating to the provision of the Services by Transam to the Customer, are hereby excluded.

7. TERMINATION

This Agreement may be terminated by written notice by either party:

if the other commits any material breach of any term of this Agreement and which in the case of a breach capable of being remedied shall not have been remedied within 28 days of a written request to remedy the same; or if the other shall become bankrupt, convene a meeting of its creditors or if a proposal shall be made for a voluntary arrangement within Part 1 of the Insolvency Act 1986; or if a receiver or similar officer is appointed in respect of all or any part of the business or if a petition is presented or other steps are taken for the winding up of the other party or if anything analogous to any of the foregoing under the law of any jurisdiction occurs in relation to that other part Any termination of this Agreement for whatever reason shall be without prejudice to any other rights or remedies a party may be entitled to hereunder or at law.

Upon termination of this Agreement, the Customer will promptly return to Transam all items belonging to Transam which the Customer has no contractual right to retain.

8. CONFIDENTIALITY

Each of the parties undertakes to the other to keep confidential all information (written or oral) concerning the business and affairs of the other that it shall have obtained or received as a result of the discussion leading up to the entering into or the performance of this Agreement save that which is:

already in its possession or which subsequently comes into its possession other than as a result of a breach of this clause; or
in the public domain other than as a result of a breach of this clause.

The foregoing obligation shall survive any termination of this Agreement.

9. FORCE MAJEURE

Neither party shall be liable for delay in or failure to perform its obligations under this Agreement if such delay or failure results from circumstances beyond its reasonable control.

10. LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with English Law, and the parties hereby submit to the non-exclusive jurisdiction of the English Courts.

11. WAIVER

The failure of either party to exercise any of its rights under this Agreement shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.

SECTION 2

Hardware Maintenance

12. SERVICES

Transam agrees to provide Hardware Maintenance Services (the Service) in respect of the Equipment on the terms set out herein.

Transam undertakes to handle calls for the Service by providing appropriate maintenance in respect of the Equipment within the Fix Time specified in the Summary of Services.

13. CUSTOMER'S OBLIGATIONS

The Customer shall:

Warrant that the Equipment is in good working order and good mechanical and electrical condition at the date of commencement of the Initial Period.

Maintain a suitable environment and electrical supply for the Equipment which complies with specifications given by the manufacturer(s) of the Equipment or Transam, and keep all external surfaces of the Equipment clean and in good condition.

Operate the Equipment in a proper manner and always under the supervision of trained and competent personnel.

Provide such services as may reasonably be required for safety or other reasons by Transam engineers in pursuance of the maintenance of the Equipment.

Notify Transam immediately if it makes any addition to, modification of, or adjustment to the Equipment.

Transam shall notify the Customer of the implications of any such addition, modification or adjustment in relation to the provision of the Service and in particular, reserves the right to increase the Contract Charge by giving 7 days notice in writing to the Customer

Use only media of a type which is approved of by the manufacturer of the Equipment or Transam

Follow the manufacturer's advice on operating the Equipment and on carrying out operator's routine maintenance.

Insofar as it is legally authorised to do so, provide Transam with full and free access at all reasonable times to:

all technical manuals and other documentation relating to the Equipment;

any diagnostic software which the Customer possesses in relation to the Equipment.

14. PARTS AND STORAGE

Transam will at its option repair or replace (on an exchange basis) any parts of the Equipment which become unserviceable in normal use. Replacement parts shall become part of the Equipment and those parts which have been replaced shall become the property of

Transam. Should the Customer, for security reasons, wish to retain such replaced parts, Transam shall charge the Customer a reasonable fee therefor.

Certain items of equipment may be designated by Transam as "Non-Site Repairable". Where repairs are necessary to such Equipment, such items will be removed from the Site, repaired and returned at the earliest opportunity .

15. LOAN EQUIPMENT

Where the service level to be provided is 'Call to Fix Service' and a fix cannot be effected within the specified time, Transam will provide the Customer with an equivalent or better replacement item on loan and at its own expense until the original item of Equipment has been repaired and returned to site.

Title in the loan item shall at all times vest in Transam. However, risk in the loan item will vest in the end-user whilst it is on the end-user's site. Likewise, title in the removed item of Equipment shall at all times vest in the end-user, however, whilst it is off-site for repair risk will vest in Transam.

16. RECONDITIONING

If Transam reasonably considers that an item of Equipment requires reconditioning then Transam may submit an estimate of the cost of reconditioning to the Customer. The cost of reconditioning will be in addition to the Hardware Maintenance Charge.

17. EXCLUSIONS

The Service does not include maintenance of the Equipment necessitated by other than fair wear and tear and in particular does not include:

Repair or damage caused by accident, misuse, neglect, movement of or interference with the Equipment, software errors in operating systems or application software; or by failure to maintain a suitable environment and electrical supply, or by any cause other than the normal usage of the Equipment.

Repair or damage caused by faulty manufacture of or modification of the Equipment, before the date of this Agreement, or by any person other than an authorised representative of Transam attempting to maintain the Equipment.

Maintenance of any other items not included in the Equipment specified in Schedule B.

Electrical work external to the Equipment, making modifications or specification changes to the Equipment, refurbishing the Equipment or adding or removing accessories, attachments or other devices.

Provision, maintenance or replacement of supplies or accessories, including (but not limited to) consumables, toner cartridges, cartridge discs, floppy discs, print banks and magnetic tapes.

The maintenance or replacement of cathode ray tubes in monitors and terminals except where a defect has arisen as a result of an electrical fault.

Maintenance necessitated as a result of fire, flood, storm, earthquake, wilful interference by third parties, accidental damage and other similar causes.

Maintenance of laser printers or laser drums beyond their expected working life.

Maintenance of laptop screens and batteries.

Replacement of printheads.

Malfunction of files; loss of data, or software setup; the restoration of data from a defective hard disk to a replacement disk. At the Customer's request, Transam may, in its sole discretion, agree to perform any of the forementioned services and shall in such circumstances

be entitled to levy additional charges in accordance with the Hourly Rate.

SECTION 3

Software Support Services

Transam agrees to provide Support Services under the terms set out herein.

18. CUSTOMER'S OBLIGATIONS

The Customer shall:

Ensure that all Software is installed and operated in accordance with the supplier's instructions.

Ensure all appropriate software licences are in place throughout the duration of any Software Support Service Agreement.

Give Transam reasonable notice of the installation of additional software products for which support is required.

Operate the Software in a proper manner and always under the supervision of trained and competent personnel.

Notify Transam immediately if it makes any addition to, modification of or adjustment to the Software. Transam shall notify the Customer of the implications of any such addition, modification or adjustment in relation to the provision of the Support Services and in particular, reserves the right to increase the Contract Charge or to terminate an Agreement in relation to the item of Software concerned as a result of such addition, modification or adjustment, by giving 7 days' notice in writing to the Customer.

Co-operate fully with Transam in the diagnosis of the reasons for any malfunction of the Software.

Insofar as it is legally authorised to do so, provide Transam with full and free access at all reasonable times to all technical manuals and other documentation relating to the Software.

The provisions of Clause 13 in Section 2 of this Agreement shall be deemed to be repeated in this Section 3.

The Customer acknowledges that the provision of the Support Service are not a substitute for proper user training or comprehensive end user documentation. The Customer shall ensure that:

its staff are fully and properly trained in the use of the Software in accordance with Transam's reasonable recommendations from time to time;

its staff are competent in the use of the Equipment and all software products loaded thereon;

the Customer has a complete set of comprehensive and up to date end user documentation.

The Customer warrants that it is entitled or empowered to authorise Transam to perform the Support Services in respect of the Equipment and the Software.

19. TRANSAM'S OBLIGATIONS

Transam will provide telephone assistance from trained and qualified product specialists in case of difficulty with installation, reconfiguration or operation of the Software.

Where a site visit is required, Transam will arrange and quote for this as an additional cost (at a reduced rate to customers with current support agreements) in accordance with the consultancy fees as applicable.

Transam will make available a preferential rate for any on-site services relating to this support agreement.

Transam will endeavour to answer enquiries and obtain information to its best ability. However, Transam can offer no guarantee that every enquiry will be answered or that every problem will be solved in any given timescale.

Information and instructions provided to the Customer are to be taken as suggestions only. Any action taken as a result of a suggestion made by Transam is the responsibility of the Customer and Transam accepts no liability whatsoever for any consequential losses resulting either directly or indirectly from any action taken as a result of suggestions made by Transam.

If as a result of a query raised by the Customer it becomes apparent that any item or part of the Equipment or the Software may not be performing in accordance with the manufacturer's or supplier's Specification, Transam shall inform the Customer as soon as reasonably possible and, where, in accordance with the Summary of Services, Transam has agreed to provide the Hardware Maintenance Service, Transam shall (where appropriate) initiate the provision of the Hardware Maintenance Service in accordance with Section 2 of these Terms and Conditions

20. SUPPORT PROCEDURES

Whenever support is required, the Customer Support Agreement Number highlighted in Schedule A must be quoted. A reference number will be issued for each individual problem logged by Transam technical staff. That number must be quoted for all subsequent calls relating to the same problem so that calls relating to that problem may be tracked. Calls may only be placed by those nominated customer contacts listed in Schedule A.

21. EXCLUSIONS

The Support Service does not include support of Software necessitated by other than normal operation and in particular does not include: Repair or damage caused by modification of the Software, before the date of this Agreement, or by any person other than an authorised representative of Transam attempting to maintain the Software. Support of any other items not included in the Software specified in Schedule C.

At the Customer's request, Transam may, at its sole discretion, agree to perform any of the aforementioned services and shall in such circumstances be entitled to levy additional charges in accordance with the Hourly Rate.

SCHEDULE A SUMMARY OF SERVICES

THIS AGREEMENT Number 2619/ XX is made the XX day of Month 2001.

BETWEEN:

Transam Microsystems Limited of 2 Baker's Yard, Baker's Row, London EC1R 3HT

and

<CUSTOMER NAME, ADDRESS 1, ADDRESS 2, ADDRESS 3, POSTCODE>

DETAILS OF THE SERVICES TO BE PROVIDED BY TRANSAM

Transam will provide Hardware Maintenance and Software Support services.

CONTRACT CHARGES

Hardware Maintenance Charge: £X,XXX per year payable in advance.

Software Support Charge: £X,XXX per year payable in advance.

INITIAL PERIOD

Means one year from the XX day of Month 2001.

SITES

means

CUSTOMER NAME
ADDRESS 1
ADDRESS 2
ADDRESS 3
POSTCODE

PRIME SHIFT

Means 24 hour cover, seven days a week.

OR

Means from 9.00am to 5.00pm, Monday to Friday, excluding bank and public holidays in the country in which the Service is being provided.

HARDWARE MAINTENANCE SERVICE

Additional details of Hardware Maintenance Service to be provided:

Fix Time: X hours (Next Business Day/ 8hrs/ 4hrs)

Response Telephone Numbers : 020 7837 4050 (Mon to Friday, 9am to 5.30pm)
020 8843 5165 (Out of Hours)

Escalation Telephone Numbers: 020 7417 0412 (Mon to Friday, 9am to 5.30pm)
020 8843 5165 (Out of Hours)

NON-CONTRACT HARDWARE MAINTENANCE CALLS

SCHEDULE C
SOFTWARE PRODUCTS COVERED BY THIS AGREEMENT

Software Product	Versions

SIGNATURE OF PARTIES

Signed for and on behalf of CUSTOMER NAME

Signature

Title.....

Date.....

Signed for and on behalf of Transam Microsystems Ltd

Signature

Title.....

Date.....