

Internal Audit (1st Party) Terms of Service

1. The Agreement will commence on the date Client signifies acceptance of the Agreement, which may be through electronic confirmation or otherwise, and shall continue until the completion of the Services unless terminated earlier in accordance with this Agreement.
2. BSI shall provide its Services in compliance with:
 - a. all applicable legislation and regulations;
 - b. any relevant standards, private standards or codes of practice expressly governing the services in this Agreement, and
 - c. BSI Group's Code of Business Ethics which can be found on BSI's website.
3. BSI will appoint appropriately qualified and trained personnel to perform the Services and determine the outcome of assessments and reviews. BSI may replace any such personnel from time to time where reasonably necessary in the interests of BSI's business.
4. The Client shall ensure that the Auditee(s):
 - a. cooperate with BSI in all matters relating to the Services;
 - b. provide in a timely manner all Audit Materials reasonably required by BSI in connection with the Services and ensure that they are accurate, complete and current;
 - c. immediately notify BSI of any event which may adversely affect the outcome or continued use of any Service or which if left unattended may cause BSI to misrepresent compliance with clause 2 above;
 - d. provide responses to all relevant and reasonable queries of BSI at any time and provide reasonable assistance;
 - e. provide access to its sites and personnel (including employees and contractors) on dates agreed with BSI and at any other time for BSI's unannounced visits if so required;
 - f. provide details of all health and safety rules, security and other requirements for visitors to its sites two weeks before BSI is due to enter the premises.
5. BSI will not investigate or confirm the truth, accuracy or completeness of any information, including Audit Materials, provided by the Auditee(s) or its contractors, and BSI accepts no liability for any losses, costs or damages suffered or incurred by Client or Auditee(s) arising out of any incomplete or inaccurate information.
6. BSI shall use reasonable endeavours to meet any performance dates specified in the Agreement but any such dates shall be estimates only and time for performance by BSI shall not be of the essence under this Agreement. If BSI's performance of its obligations under this Agreement is prevented or delayed by any act or omission of the Client and/or its Auditee(s), including their agents, subcontractors, consultants or employees, then, without prejudice to any other right or remedy it may have, BSI shall be entitled to an extension of time to perform its obligations under this Agreement which is equal to the delay caused. In such circumstances BSI shall have no liability in respect of such delay in the provision of the Services and shall invoice Client for any additional fees and charges incurred as a result of such delay.
7. No variation of this Agreement shall be effective unless it is in writing and signed by the authorised representatives of the parties. In the event that BSI, acting reasonably, determines that additional effort is required in order for BSI to complete the Services, parties shall reasonably discuss and agree on the consequential changes required to the timeframe and fees. If parties are unable to agree on the consequential changes, BSI may immediately terminate this Agreement.
8. If Client or Auditee(s) wishes to change the date for the performance of the Services, it must provide BSI with at least 30 days' prior written notice of its intention to do so, failing which the Client shall be liable for the full fees of the Services, including all expenses that have been incurred including without limitation costs associated with booking, scheduling, and also penalties associated with cancellation or rescheduling.
9. For the avoidance of doubt, BSI shall not be in breach of its obligations in this Agreement if BSI is unable to access the Auditee's premises to conduct the Services or, if, in BSI's reasonable belief, the Auditee(s) has failed to abide by any health, safety and/or security requirements. In such circumstances BSI shall have no liability in respect of any delay in the provision of the Services and shall invoice Client for any additional fees and charges incurred as a result of such delay.
10. If in BSI's reasonable opinion Client fails to comply with any of its obligations under the Agreement, or the Client uses BSI's services in such a manner that may be misleading or that may bring BSI into disrepute, BSI may: (i) where an audit report or other document has not been issued, refuse to issue such report or document; (ii) where an audit report or other document has been issued, inform relevant third parties that the report or document is no longer valid, and the licence to use BSI's Intellectual Property Rights in such report or document shall be immediately revoked.
11. In relation to the Deliverables, BSI shall retain ownership of all Intellectual Property Rights in the Deliverables, excluding the Audit Materials. BSI grants the Client a limited right to use the Deliverables for its own internal compliance processes; and disclose the Deliverables to third parties subject to the Client's undertaking that the Client will not disclose the Deliverables in a form that is amended, abridged or presented in any way other than that issued in final form by BSI. Client agrees to indemnify and hold harmless BSI against all costs, losses including reasonable legal fees and proceedings suffered or incurred by BSI arising out of or relating to a third party's reliance on a report disclosed by Client, whether or not disclosed with BSI's prior written consent. Apart from the foregoing, BSI reserves all rights in and to the Deliverables and no other rights to use the Deliverables are granted to the Client pursuant to this Agreement.
12. The Client (a) warrants that the receipt and use of the Audit Materials in the performance of this Agreement by BSI, its affiliates, agents, subcontractors or consultants shall not infringe the rights, including any Intellectual Property Rights, of any third party; and (b) shall indemnify BSI in full against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses suffered or incurred by BSI arising out of or in connection with any claim brought against BSI, its affiliates, its agents, subcontractors or consultants for (i) actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the receipt or use in the performance of this Agreement of the Audit Materials; and (ii) any third party's reliance on the Deliverables that are disclosed by the Client (whether or not disclosed with BSI's prior written consent).

Internal Audit (1st Party) Terms of Service

13. Client shall pay each invoice submitted to it by BSI within thirty (30) days of receipt of such invoice by way of electronic transfer to the account detailed on the invoice issued by BSI.
14. Without prejudice to any other right or remedy that it may have, if the Client fails to pay BSI any sum due under this Agreement on the due date:
 - a. the Client shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest shall accrue each day at 2.5% a year above the Bank of England's base rate from time to time;
 - b. BSI may suspend all or part of the Services until payment has been made in full; and/or
 - c. BSI may terminate this Agreement with immediate effect by giving the Client written notice.
15. All sums payable to BSI under this Agreement are exclusive of any applicable taxes and surcharges, which the Client shall in addition pay an amount equal to any applicable taxes and surcharges; and payments shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).
16. The Client warrants and undertakes that:
 - a. it will not, and will ensure that its affiliates and their respective officers, employees, shareholders, representatives, agents or contractors ("Associated Parties") will not, commit, authorize or permit any action in connection with the negotiation, conclusion or the performance of this Agreement or any related agreement which would cause BSI and/or its Associated Parties to be in violation of any applicable anti-bribery laws. This obligation applies, inter alia, to illegitimate payments including facilitation payments to public officials or their associates, families or close friends;
 - b. it understands fully its own anti-bribery and anticorruption legal obligations and shall implement adequate controls, systems and procedures to ensure its own compliance with all applicable anti-bribery laws;
 - c. it has not undergone and it is not undergoing any audit, review, inspection, investigation, survey or examination by any governmental authority relating to any anti-bribery laws. The Client further warrant and undertake that there are no threatened claims, nor presently existing facts or circumstances that would constitute a reasonable basis for any future claims, under any anti-bribery laws against it;
 - d. it shall promptly notify BSI if it becomes aware of or has any difficulties in its anti-bribery and anticorruption obligations that would amount to a breach of this Agreement or any applicable anti-bribery laws;
 - e. it is not, nor are its Associated Parties, the subject of any allegation, voluntary disclosure, prosecution or other enforcement action related to any anti-bribery laws; and
 - f. it will not, nor will its Associated Parties, either offer, or give, or agree to give, to any employee, representative or third party acting on behalf of BSI, and/or any public official or accept, or agree to accept from any employee, representative or third party acting on behalf of BSI, and/or a public official, any undue gift or benefit, be it monetary or other, with regard to the negotiation, conclusion or the performance of this Agreement or any related agreement.
17. The Client shall promptly notify BSI if it becomes aware of or has specific suspicion of any corruption or any request or demand for undue financial advantage or other advantage of any kind, with regard to the negotiation, conclusion or the performance of this Agreement or any related agreement.
18. In the case that the Auditee(s) provides any undue gifts or benefits with regard to the negotiation, conclusion or the performance of this Agreement or any related agreement, in violation of Clauses 16 or 17, BSI may terminate this Agreement with immediate effect by giving notice to the Client.
19. As between the parties, the Auditee(s) shall own all right, title and interest in and to all personal data it provides to BSI ("Personal Data"). The Client shall ensure that Auditee(s) grants BSI an irrevocable, unlimited and royalty-free licence to use the Personal Data provided to BSI for the purposes of delivering the Services.
20. From time to time during the term of this Agreement, one party (the "Disclosing Party") may disclose Confidential Information to the other party (the "Receiving Party"). The Receiving Party shall maintain in strict confidence all Confidential Information of the Disclosing Party identified by the Disclosing Party or where it ought reasonably to be known as Confidential Information, whether in oral, written, graphic or electronic form.
21. The Receiving Party shall not use, disclose or grant the use of such Confidential Information to any third party except for the purposes of performing its obligations under the Agreement. The Receiving Party shall ensure its and its affiliates' employees, agents or consultants to whom disclosure is to be made on a need-to-know basis, hold the Confidential Information in strict confidence and not make any use of such information for any purpose other than those expressly permitted by the Agreement. The Receiving Party shall use (and require that all its and its affiliates' employees, agents and consultants) at least use the same standard of care as the Receiving Party uses to protect its own Confidential Information of a similar nature from unauthorised use or disclosure, but in no event less than reasonable care. The Receiving Party shall promptly notify the Disclosing Party upon discovery of any unauthorised use or disclosure of the Confidential Information of the Disclosing Party.
22. The obligations contained in Clause 21 shall not apply if:
 - a. the Confidential Information was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party;
 - b. the Confidential Information was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;
 - c. the Confidential Information was disclosed to the Receiving Party, other than under an obligation of confidentiality, by a third party who had no obligation to the Disclosing Party not to disclose such information to others; or
 - d. the disclosure or use is required by law, any regulatory body or the rules and regulations of any recognised stock exchange, provided that prior to disclosure or use of any information pursuant to this sub-Clause, the party concerned shall use reasonable efforts to promptly notify the relevant party of such requirement with a view to providing it/them with the opportunity to contest such disclosure or use.
23. Upon the expiration or termination of this Agreement for any reason whatsoever:
 - a. the Client shall ensure the Auditee(s) promptly return all documents and materials containing BSI's Confidential Information or, if so required at the request of BSI, erase

Internal Audit (1st Party) Terms of Service

- and destroy any and all material in any media containing the same (including any copies, analysis, memoranda or other notes made by the Auditee(s), its directors, officers, employees, agents and/or representatives) and shall, in addition, erase and remove any of the same stored within any computer or other electronic system whether or not in machine-readable form;
- b. BSI shall retain the Auditee(s)' Confidential Information for a period of six (6) years and delete it thereafter and will not use or disclose the Auditee(s)' Confidential Information exception in the following situations:
- for the purposes of exercising or performing its obligations under this Agreement;
 - to the extent required by law, any governmental, regulatory or accreditation authority, or court in any jurisdiction; or
 - to the extent required to be disclosed if, in the reasonable opinion of BSI, the health or safety of consumers may be at risk.
- For the avoidance of doubt, BSI shall not be required to delete any Auditee(s) Confidential Information that BSI is required to retain under applicable laws.
24. Nothing in this Agreement limits any liability which cannot legally be limited, including liability for death or personal injury caused by negligence; and fraud or fraudulent misrepresentation.
25. Subject to Clause 24, BSI shall not be liable whether in tort (including for negligence or breach of statutory duty), contract, misrepresentation, restitution or otherwise for any loss of profits, loss of business, depletion of goodwill and/or similar losses or loss or corruption of data or information, or pure economic loss, or for any special, indirect or consequential loss, costs, damages, charges or expenses however arising, even if BSI has been advised of the risk of such damages.
26. Subject to clause 24, the total liability of BSI to Client and all Auditee(s) for any and all claims or causes of action whether in contract, tort (including negligence), breach of statutory duty, or otherwise, arising under or in connection with the Agreement will not exceed an amount equal to the annual fees or total fees, whichever is lower, payable by Client under the Agreement. This limitation of BSI's liability will survive termination of the Agreement.
27. Either party may terminate the Agreement at any time by giving the other party not less than 3 months' written notice of its intention to do so. Any Services due to be delivered in such notice period and any costs incurred (or agreed to be incurred) shall remain payable by the Client.
28. Without prejudice to any rights that have accrued under the Agreement, either party to this Agreement may terminate the Agreement with immediate effect by giving written notice to the other party if:
- The other party commits a material obligation of any term of this Agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 30 days after being notified in writing to do so; or
 - the other party takes any step or action in connection with its entering administration, provisional liquidation, bankruptcy or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
- the other party suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business;
 - if Client or any Auditee challenges the validity or ownership of any BSI intellectual property rights; or
 - a party has reasonable grounds for believing that the other party is not in compliance with any applicable laws;
 - if, in the reasonable opinion of BSI, the Auditee(s) acts in such a manner that may bring BSI into disrepute;
 - there is a change of control of the Client.
29. For the purposes of this Agreement, material breach means a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit which the terminating party would otherwise derive from a substantial portion of this Agreement. In deciding whether any breach is material no regard shall be had to whether it occurs by some accident, mishap, mistake or misunderstanding.
30. Without prejudice to any rights that have accrued under the Agreement, either party may terminate the Agreement immediately if the other party is unable to pay its debts as they fall due, or has appointed a receiver, administrator or manager over its assets, or goes into liquidation (except for the purpose of solvent reconstruction or amalgamation), or enters into a voluntary arrangement with its creditors, or ceases or threatens to cease its business.
31. On termination or expiry of this Agreement, the Client shall immediately pay to BSI all of BSI's outstanding unpaid invoices and interest and, in respect of the Services supplied but for which no invoice has been submitted, BSI may submit an invoice, which shall be payable immediately on receipt.
32. Termination or expiry of this Agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination or expiry.
33. Neither party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from an Event of Force Majeure. If the period of delay or non-performance continues for sixty (60) days, the party not affected may terminate this Agreement by giving fourteen (14) days' written notice to the affected party. An "Event of Force Majeure" shall mean circumstances that are unavoidable, beyond a party's reasonable control (whether or not reasonably anticipated), and which renders impossible the performance of any material obligation or the exercise of any material right under this Agreement by either of the parties including without limitation, including without limitation: (a) acts of God, flood, fire, earthquake, or explosion; (b) pandemic, onset of infectious diseases, issuance of quarantine or other prohibition or restrictive orders by any governmental or public authority; (c) war, terrorism, invasion, or act of insurgency; (d) national or regional emergency; (e) strikes, labour stoppages or slowdowns or other industrial disturbances, riot or other civil unrest; (f) embargoes or blockades, or passage of a law or any action taken or regulations imposed by a governmental or public authority, including imposing an embargo, export or import restriction, quota, or other restriction or prohibition; (g) any complete or partial government shutdown; (h) national or regional shortage of adequate power or telecommunications or transportation; or (i) cyber-attacks,

Internal Audit (1st Party) Terms of Service

- internet service provider failures or delays, or denial of service attacks.
34. 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, or authorise any party to make or enter into any commitments for or on behalf of any other party. Each party confirms it is acting on its own behalf and not for the benefit of any other person.
35. The Agreement is personal to Client. Client may not assign, transfer or deal in any manner with its rights and obligations under the Agreement. BSI may assign its rights under the Agreement to a BSI group company.
36. This Agreement shall not be construed against any party to this Agreement because that party drafted or caused that party's legal representative to draft any of its provisions, and any rule of construction that a document shall be construed against the drafting party shall not apply to this Agreement.
37. The rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.
38. This Agreement, including the attachment, proposal or schedules attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties, whether written or oral, relating to the same subject matter. Each Party acknowledges that, in entering this Agreement, it has not relied on, and shall have no remedy in respect of, any statement, representation, warranty or understanding that is not set out in this Agreement.
39. A person who is not a signatory to the Agreement shall not have any rights under or in connection with it.
40. A waiver of any right or remedy under this Agreement or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.
41. If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement. If any provision or part-provision of this Agreement is deemed deleted, the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.
42. Any notices to a party in connection with the Agreement must be in writing and sent by email or delivered to the party's address set out in the Agreement.
43. This Agreement shall be binding on, and enure to the benefit of, the parties to this Agreement and their respective personal representatives, successors and permitted assigns, and references to any party shall include that party's personal representatives, successors and permitted assigns.
44. This Agreement may be executed in any number of counterparts and delivered by hand, sent by registered post or shall be transmitted by facsimile or electronic mail (in PDF format) and shall be as effective as executing and delivering this Agreement in the presence of the parties. Any party may enter into this Agreement by executing any counterpart but this Agreement shall not be effective until each party has executed at least one (1) counterpart. Each counterpart shall constitute an original of this Agreement but all the counterparts together constitute the same instrument.
45. If there is an inconsistency between any of the provisions of this Agreement and the provisions of any master services agreement, purchase proposal, the Client's standard conditions of purchase or any other document stated to be relating to the Services or the Agreement, the provisions of this Agreement shall prevail.
46. The law of England governs the Agreement and the English courts have non-exclusive jurisdiction to settle any disputes or claims arising out of it.
47. Except as otherwise specified herein, the following terms shall have the following definitions:
- Agreement:** means these Internal Audit (1st Party) Terms of Service, Contract for Services (or Proposal), Client Details, Important Pricing Information, Declaration, and any other terms attached thereto or incorporated by reference.
- Audit Materials:** means all documents, information, items and materials in any form, whether owned by the Client or the Auditee, which are provided by the Client and/or the Auditee to BSI in connection with the Services.
- Auditee:** refers to the party being audited by BSI as part of the Services under this Agreement. The Auditee may be the Client, and/or the Client's affiliates. Client shall be responsible for all acts and omissions of its affiliates, as if the acts and omissions of the affiliates were the Client's. Client shall indemnify BSI for any breach of this Agreement arising out of any affiliate's acts and/or omissions. For the avoidance of doubt, "Auditee(s)" shall be interpreted to mean all of the parties being audited by BSI, unless the context renders such interpretation repugnant.
- BSI:** refers to the BSI entity identified in the Agreement.
- Client:** means the entity instructing BSI to perform the Services and as identified in the Agreement.
- Confidential Information:** means any and all information, data and material of a technical or business nature or relating in any way to the business, products, services, customers and personnel of either party that is expressly identified as confidential or which ought reasonably to be regarded as confidential; which may be received or obtained in connection with the operation of this Agreement.
- Deliverables:** means any output of the Services as specified in the Agreement.
- Intellectual Property Rights:** means all inventions, innovations, improvements, developments, methods, patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, trade names and domain names, rights in industrial designs, drawings and plans, rights in computer software or source code, database rights, rights in Confidential Information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registrable, registered or unregistered and including all applications (or rights

Internal Audit (1st Party) Terms of Service

to apply) for, and renewals or extensions of, 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.

Services: means the audit services to be conducted by BSI on the Auditee as described in the Agreement.