



SOFTWARE USER ACCEPTANCE TESTING POLICY

All testing of the Software and any third party software or services supplied as part of the installation by MSL Verteda of the solution selected by Customer shall be subject to this Policy. Capitalised terms shall have the same meaning as given to them in the MSL Verteda Terms and Conditions of Purchase.

- 1 Prior to installation of the Software, at a time agreed by the Customer and MSL Verteda, the Customer shall submit to MSL Verteda:
 - 1.1 test data suitable to assess whether the Software operates in accordance with the Detailed Specification; and
 - 1.2 the results it expects to obtain from the operation of the Software on such test data.
- 2 MSL Verteda shall by notice upon the Customer within 10 working days of receipt of the test data and results either approve or reject the same. MSL Verteda shall only be entitled to reject the test data and/or expected results upon the basis that (and by detailing the manner in which) either or both of them require the Software to operate in a manner not provided for by the current functional specification for such Software.
- 3 In the event that the Customer shall require additional functionality to the current functional specification for the Software, the parties may agree bespoke development of the Software to include, if possible, such additional functionality. MSL Verteda shall be entitled to charge the Customer at its standard Professional Services Fees for such development services, or otherwise at a rate agreed by the parties in writing. In such case the provisions of paragraphs 1 and 2 and the remaining provisions of this Policy shall apply to such bespoke development as appropriate.
- 4 The Customer shall forthwith upon receipt of notice of rejection by MSL Verteda make all such alterations to its test data and/or expected results as shall in the circumstances be necessary and shall resubmit the same for approval by MSL Verteda until such time as MSL Verteda shall approve (or be deemed to approve) the test data and expected results.
- 5 The Customer shall implement the Acceptance Tests within 15 working days of the approval (deemed or express) by MSL Verteda of the test data and expected results. If the Customer fails to implement the Acceptance Tests within such time, MSL Verteda shall give the Customer not less than 10 working days' notice to complete the Acceptance Tests, failing which it the Software shall be deemed to be accepted by the Customer.
- 6 Where appropriate MSL Verteda shall provide a hosted test environment for the Customer to perform the Acceptance Tests.
- 7 The Customer shall give MSL Verteda not less than 2 working days' notice of the date and time at which it will implement the Acceptance Tests. The Project Manager of MSL Verteda shall be entitled to attend such tests.
- 8 The Customer shall accept the Software upon the date that it passes the Acceptance Tests.
- 9 If the Software fails the Acceptance Tests the Customer shall promptly notify MSL Verteda in writing of any deficiency and faults and MSL Verteda will rectify such faults using its reasonable endeavours to effect such rectification to the reasonable satisfaction of the Customer as soon as is reasonably practicable and in sufficient time to make possible



the repetition of the Acceptance Tests by the Customer in the presence of MSL Verteda's Project Manager (the "First Repeat Acceptance Tests").

- 10 If the Software fails the First Repeat Acceptance Tests then the Customer may at its option:
 - 10.1 require MSL Verteda by written notice to implement such further rectifications to the Software as MSL Verteda shall reasonably judge necessary to enable the Software to pass repeat Acceptance Tests (the 'Second Repeat Acceptance Tests'). The Second Repeat Acceptance Tests shall be carried out by the Customer in the presence of MSL Verteda's Project Manager. If the Software shall fail the Second Repeat Acceptance Tests then the Customer shall be entitled to request further Repeat Acceptance Tests or to proceed at its option under either 10.2 or 10.3 below:
 - 10.2 accept the Software subject to a proportionate refund of the Professional Services fees charged by MSL Verteda in respect of the work carried out in implementation of the Software in respect of such part or parts of the Software which fail the Acceptance Tests as MSL Verteda and the Customer shall agree (acting reasonably). If the parties fail to agree such refund within 15 working days of failure of the First Repeat Acceptance Tests or Second Repeat Acceptance Tests then the Customer, at its option, shall be entitled either to refer the matter for settlement in accordance with the disputes procedure set out in MSL Verteda Terms and Conditions of Purchase or to proceed under paragraph 10.3 below; or
 - 10.3 reject the Software and, without prejudice to any other rights or remedies to which MSL Verteda and the Customer may be entitled to hereunder or at law, the Customer may, at its election and subject to paragraph 10.2, continue with the use of the Software pursuant to the Software Licence Agreement.
11. Any faults which are identified by the Customer will be allocated to one of three severity levels by agreement of the parties:
 - 11.1 level 1 - fault which renders the Software totally inoperative;
 - 11.2 level 2 - fault which renders the Software partially inoperative whereby the Customer's use of the Software is materially and adversely affected;
 - 11.3 level 3 – a minor fault which affects a part only of the Software but the Software remains operational and the fault does not impede the operation of the Software.
- 12 The Software will be deemed to have been accepted when the Customer has provided written confirmation that all level 1 and level 2 faults identified through Acceptance Testing have been rectified or the expiry of 30 calendar days from rectification by MSL Verteda of the last level 1 or level 2 fault, whichever shall be the earlier. If the Software is accepted by the Customer and there are outstanding Level 3 faults that have not been rectified, MSL Verteda agrees to use reasonable endeavours to correct such faults or defects in a reasonable period of time.
- 13 MSL Verteda (through its Project Managers or its staff) shall provide the Customer with all such assistance and advice as it shall from time to time reasonably require in the process of testing the Software pursuant to this Policy.