

Schedule 1

Managed Services Terms and Conditions

This Schedule 1 applies to Managed Services provided by CloudBlue under the Master IT Services Agreement (MSA). Capitalised terms have the meanings given in the MSA unless otherwise stated.

1. Services

1.1 On-boarding and off-boarding

- a) Where specified in a Work Order, CloudBlue will provide onboarding and/or off-boarding assistance for End Users, systems, or services.
- b) On-boarding timeframes depend on factors including the number of End Users, system complexity, data volumes, and third-party dependencies.
- c) CloudBlue will advise indicative onboarding timeframes but does not guarantee completion dates unless expressly stated in the Work Order.

1.2 Scope of Managed Services

- a) The scope of the Managed Services is limited to those services expressly described in the applicable Work Order.
- b) Any request for services outside scope must be approved in writing and will be provided on a time-and-materials basis at CloudBlue's then-current rates, unless otherwise agreed.

1.3 Excluded Services

Unless expressly included in a Work Order, the following are **excluded** from Managed Services:

- a) services provided outside CloudBlue's standard business hours;
- b) on-site work, including travel or accommodation costs;
- c) work arising from unapproved changes to the Customer Environment or Customer Equipment;
- d) remediation required because the Customer has not applied patches, updates, upgrades, or vendor-recommended fixes;
- e) work arising from the Customer's failure to implement CloudBlue recommendations;
- f) project-based or transformational work;
- g) incident response, recovery, forensic analysis, or remediation arising from cyber incidents, ransomware, or security breaches;

- h) diagnosis, repair, or replacement of Hardware where warranty or support coverage has expired or does not apply; and
- i) any service not expressly included in the Work Order.

Excluded Services may be provided under a separate Work Order or on a time-and-materials basis.

1.4 Service delivery standards

- a) Subject to payment of Fees, CloudBlue will deliver the Managed Services described in the Work Order.
- b) CloudBlue will perform Managed Services with reasonable care and skill consistent with an Australian managed services provider acting professionally and competently.
- c) Target response and resolution times (if any) are objectives only and apply solely as set out in the Work Order.
- d) The Customer acknowledges that Managed Services may rely on third-party telecommunications, cloud platforms, utilities, and vendors, and that outages or degradation caused by those parties are outside CloudBlue's control.
- e) Scheduled maintenance will be performed during the Maintenance Window where practicable. Emergency maintenance may be performed outside that window where required to manage risk or restore service.

2. Software, Equipment and Hardware

2.1 CloudBlue-provided Software and Equipment

- a) All Software and Equipment supplied by CloudBlue as part of Managed Services remains the property of CloudBlue unless expressly sold as Hardware.
- b) Equipment may be installed or affixed only where reasonably necessary for its intended use and does not become a fixture.
- c) The Customer must not sell, transfer, modify, repair, or tamper with CloudBlue Equipment without written consent.
- d) The Customer must operate Equipment in accordance with CloudBlue instructions and applicable manuals.

2.2 Hardware procurement and ownership

- a) Where CloudBlue supplies Hardware under a Work Order, that supply is separate from Managed Services.
- b) Risk in Hardware passes on delivery. Title passes only after full payment.
- c) Hardware warranties, support, and replacements are provided by manufacturers or vendors, not CloudBlue, unless expressly stated.
- d) CloudBlue does not warrant that Hardware will be fault-free, uninterrupted, or suitable for a particular purpose.

2.3 Delivery and acceptance

- a) Hardware and Equipment may be delivered in instalments.
- b) Hardware and Equipment are deemed accepted unless the Customer notifies CloudBlue of material defects within five (5) Business Days of delivery or installation.
- c) Acceptance does not waive manufacturer warranties or statutory rights.

2.4 Installation

- a) Installation is provided only if included in the Work Order.
- b) The Customer must ensure site readiness, access, power, and approvals.
- c) Installation is deemed accepted unless material defects are notified within five (5) Business Days.

2.5 Customer Equipment

Except to the extent caused by CloudBlue's negligence, the Customer remains responsible for its own equipment, systems, and software and indemnifies CloudBlue against Claims arising from their use or failure.

3. Third-Party Software and Services

3.1 Third-Party Software

- a) Third-Party Software is licensed directly between the Customer and the vendor.
- b) CloudBlue does not control, warrant, or guarantee Third-Party Software, including security, availability, or vulnerability remediation.
- c) The Customer is responsible for licence compliance, updates, and vendor terms.

3.2 Third-Party Services

- a) Third-Party Services are governed by the provider's terms.
- b) CloudBlue acts as a reseller or facilitator only where applicable.
- c) CloudBlue is not responsible for outages, vulnerabilities, data loss, or failures caused by Third-Party Services.

4. Customer obligations and warranties

4.1 General obligations

The Customer must:

- a) provide timely access to systems, premises, credentials, and personnel;
- b) maintain the Customer Environment in a supported and secure state;
- c) comply with applicable laws and data retention obligations;
- d) provide accurate and complete information;
- e) follow CloudBlue documentation and reasonable instructions;
- f) use reasonable security practices; and
- g) not interfere with Managed Services or misuse systems.

4.2 Security and risk ownership

- a) The Customer is responsible for baseline security of its Customer Environment unless otherwise agreed.
- b) The Customer must implement appropriate safeguards, including patching, backups, MFA, and access controls.
- c) Failure to do so may result in suspension of Services or additional charges.

4.3 Warranties and indemnity

The Customer warrants that:

- a) it owns or is authorised to use all systems, software, domains, and IP;
- b) the Customer Environment is fit for operation; and
- c) it has taken reasonable steps to protect data and systems.

The Customer indemnifies CloudBlue against Claims arising from Customer actions, Customer Data, or misuse of Services.

4.4 No resale

The Customer must not resell or re-supply Managed Services, Software, Equipment, or Third-Party Services without written consent.

5. Location and access

- a) The Customer must prepare and maintain Locations for service delivery.
- b) Failure to provide access relieves CloudBlue from affected obligations without liability.

6. Audits and reporting

6.1 Audits

- a) The Customer may audit compliance no more than once per 12-month period on reasonable notice.
- b) Audits must not disrupt operations and exclude CloudBlue commercial margins.
- c) The Customer bears audit costs.

6.2 Reporting

CloudBlue will provide reporting expressly agreed in the Work Order.

7. Fees

7.1 Fees and invoicing

Fees are payable as set out in the Work Order and the MSA.

7.2 Fee variations

CloudBlue may adjust Fees for:

- a) CPI increases;
- b) third-party cost increases (pass-through);
- c) changes in End User numbers; or
- d) material changes to the Customer Environment.

Continued use of Managed Services constitutes acceptance of adjusted Fees.

8. Changes to End Users or Environment

Changes to End Users, scale, or environment may require a revised Work Order or adjusted Fees.

9. Definitions

For this Schedule:

- **Maintenance Window** means the times specified in the Work Order.
- **Managed Services Schedule** means this Schedule 1.
- **Third-Party Terms** means vendor terms applicable to Third-Party Software or Services.