

This subscription services addendum (“**Addendum**”) defines the specific terms and conditions applicable to subscription services provided by Tacit Legal to a Client, and shall only apply to the extent referred to in the Terms of Business or a Quote.

Where referred to in the Terms of Business or a Quote, this Addendum shall form a part of the Agreement and shall be additional to (and not a replacement of) the Terms of Business. In the event of conflict between this Addendum and another contractual document, the order of precedence set out in the Terms of Business shall apply.

### 1 INTERPRETATION

1.1 In this Addendum:

“**Notice Period**” means the notice period for termination as set out on the Quote;

“**Personnel Subscription**” means a Subscription that is delivered by our Personnel;

“**Request**” means, in relation to a Personnel Subscription, a request for the completion of work;

“**Subscription Deliverable**” means the Deliverable to which the Subscription relates, as set out on the Quote;

“**Subscription Initial Term**” has the meaning given to it in clause 3.1 of this Addendum;

“**Subscription Metric**” means, in relation to a Subscription, the measure of usage of that Subscription set out on the Quote (e.g. hours, users, documents, etc.);

“**Subscription Period**” means the length of each Subscription period, as set out in relation to that Subscription on the Quote;

“**Subscription Renewal Term**” has the meaning given to it in clause 3.2 of this Addendum;

“**Subscription Start Date**” means the date on which the Subscription is to start, as stated on the Quote or otherwise agreed in writing;

“**Subscription Term**” means the Subscription Initial Term and each Subscription Renewal Term; and

“**Terms of Business**” means the terms of business referenced by the Quote.

1.2 Any capitalised term or phrase used in this Addendum that is not defined in this Addendum shall have the meaning given to it in the Terms of Business.

1.3 Any reference to this Addendum includes the Appendices to it.

### 2 PROVISION OF SUBSCRIPTION DELIVERABLE

2.1 We shall provide the Subscription Deliverable to you for the duration of the Subscription Term in accordance with the Agreement.

2.2 Terms specific to a type of Subscription are set out in an Appendix to this Addendum.

### 3 SUBSCRIPTION TERM & CANCELLATION

- 3.1 The Subscription Term shall start on the Subscription Start Date, and shall continue for the Subscription Period (the “**Subscription Initial Term**”).
- 3.2 The Subscription shall thereafter renew for further Subscription Periods (each a “**Subscription Renewal Term**”) unless one party gives the other party written notice of at least the Notice Period prior to the start of the Subscription Period from which that party wishes it to terminate (“**Non-Renewing Period**”), in which case the Subscription Term shall end on expiry of the Subscription Period immediately preceding the Non-Renewing Period.
- 3.3 If a Subscription Term ends in accordance with these terms and no other Services continue to be provided under the Quote, this Agreement shall automatically terminate.

### 4 FEES

- 4.1 We will provide the Subscription Deliverable during the Subscription Term in consideration of the periodic fee set out in the Quote, payable per Subscription Period, subject to:
  - 4.1.1 the Scope of Work remaining the same and the Assumptions remaining accurate; and
  - 4.1.2 any provision in this Addendum addressing changes to our fees.
- 4.2 We will issue and deliver our invoice in respect of each Subscription Period in advance, which you shall pay in accordance with the payment terms section of the Quote.

### 5 PERSONNEL SUBSCRIPTIONS

- 5.1 This clause 5 shall only apply to Personnel Subscriptions.
- 5.2 You may submit Requests to us that fall within the Scope of Work. We shall record the time we spend in servicing a Request in units of 6 minutes.
- 5.3 Unless otherwise agreed with you in writing, we will use reasonable efforts to:
  - 5.3.1 acknowledge each Request and provide an estimated date of completion within 24 hours of receiving a Request;
  - 5.3.2 for Requests requiring two hours or less of our Personnel’s time, provide a full response within 36 hours; and
  - 5.3.3 for Requests requiring more than three hours of our Personnel’s time, provide a full response as soon as it is possible to do so taking into account current work-levels,each counted on Business Days only.
- 5.4 The service levels set out in clause 5.3 shall not apply in respect of any five Business Day period (the “**Fair Usage Period**”) where the time required to deliver all Requests made during the Fair Usage Period is double or more than a Fair Usage Period’s worth of the Subscription Metrics that are included in the Subscription (calculated on a pro-rata basis). You acknowledge and agree that this clause 5.4 is necessary to ensure that peaks in a client’s usage does not negatively impact service levels for our other clients.

## **6 CHANGES**

- 6.1 If you make a Request that does not fall within the Scope of Work or an Assumption is inaccurate in respect of it, we will notify you and ask whether you would like us to provide a separate quote for that Request.
- 6.2 If the overall Scope of Work changes or an Assumption proves generally inaccurate resulting in an increase in cost for us to provide the Subscription Deliverable, then we will seek to agree a revised Quote for the Subscription. If you request that we proceed before such Quote is agreed, then we shall provide any additional work on a time and materials basis.

## **7 FEE INCREASES**

- 7.1 Where part of our cost in providing a Subscription is incurred with a third party (for instance, software licences), that cost is directly attributable to the Subscription rather than our business overheads generally, and such third party increases their fees:
  - 7.1.1 we may increase our fees for the current Subscription Period and all future Subscription Periods by giving not less than 14 days written notice, provided that (a) such increase reflects such the third party fee increase; and (b) we use reasonable efforts to mitigate such third party fee increase; and
  - 7.1.2 where such increase comes into effect part way through a Subscription Period, we may issue a supplemental invoice in respect of such additional amount payable on a pro-rata basis to cover the remainder of that Subscription Period.
- 7.2 We may increase our fees for a Subscription Period and all future Subscription Periods by written notice, provided that we give such notice 14 days or more prior to the date on which your right to cancel the Subscription in respect of that Subscription Period lapses under clause 3.2 above.
- 7.3 We may also increase our fees in accordance with the relevant Appendix to this Addendum.

## APPENDIX 1

### Fixed Metric Subscription

#### 1 APPENDIX SCOPE

This Appendix applies to any Subscription that: (a) references it in the relevant Quote; (b) is referred to as a Fixed Metric Subscription; or (c) otherwise grants you a fixed number of Subscription Metrics per month.

#### 2 PREBOUGHT SCHEDULE

Except to the extent otherwise stated below, Schedule 2 (*Prebought Fee Arrangements*) to the Terms of Business (the “**Prebought Schedule**”) shall apply to this Schedule.

#### 3 INTERPRETATION

3.1 In this Appendix:

“**Included Subscription Metrics**” means the included subscription Metrics stated in the Quote; and

“**Overage Per Metric Fee**” shall be as set out in our Quote (or where none, our then-current rate for the Metric).

3.2 Capitalised words and phrases defined in the Prebought Schedule shall have the same meaning in this Schedule.

3.3 Subscription Metrics shall be Metrics for the purposes of the Prebought Schedule.

#### 4 INCLUDED SUBSCRIPTION METRICS

4.1 Paragraph 4 of the Prebought Schedule shall not apply.

4.2 We will add the Included Subscription Metrics to your Metric Balance on the Subscription Start Date and monthly thereafter (“**Subscription Top-up**”).

4.3 The Metric Validity Period of Included Subscription Metrics shall be one month.

#### 5 TOP-UP

5.1 If your Metric Balance reaches zero before the next Subscription Top-up, you may Top-Up in accordance with paragraph 5 (*Top-up*) of the Prebought Schedule, save that:

5.1.1 the Per Metric Fee for that Top-up shall be the Overage Per Metric Fee; and

5.1.2 the Metric Validity Period for that Top-up shall be until the end of the next calendar month.

#### 6 RESOURCE LEVEL

Where the Subscription is a Personnel Subscription you shall only be entitled to use the grade of Personnel stated on the Quote, but we may perform the Subscription using more junior personnel, provided that we do not charge you for our time in supervising them.

## APPENDIX 2

## Variable Metric Subscription

## 1 APPENDIX SCOPE

This Appendix applies to any Subscription: (a) which references it in the relevant Quote; (b) is referred to as a Variable Metric Subscription; or (c) which otherwise grants you a variable number of Subscription Metrics per month without incurring additional fees.

## 2 DEFINITIONS

2.1 In this Appendix:

“**Actual Metric Usage**” means the actual number of Subscription Metrics used in a given period; and

“**Assumed Monthly Metrics**” means the number of Subscription Metrics per month we assumed would be required in order to deliver the Subscription Deliverable, as set out in the Quote (and as amended from time to time in accordance with this Addendum).

## 3 QUARTERLY FEE REVIEW

3.1 We will carry out a quarterly review of Actual Metric Usage against the Assumed Monthly Metrics.

3.2 Where such review identifies Actual Metric Usage higher than the Assumed Monthly Metrics over the current Subscription Period, we may:

3.2.1 increase our fees for the next Subscription Period, and (unless expiring in the next 30 days) the remainder of the current Subscription Period, based upon the fee per Subscription Metric used to calculate our Subscription fee; and

3.2.2 if we have already issued our invoice for a Subscription Period, issue a supplemental invoice for the difference between that invoice and our revised fees.

3.3 Where such review identifies Actual Metric Usage lower than the Assumed Monthly Metrics in two consecutive Subscription Periods, we shall discuss with you whether it would be appropriate to reduce the Assumed Monthly Metrics.

## 4 FAIR USAGE

4.1 If in any given month Actual Metric Usage exceeds the Assumed Monthly Metrics by 10% or more, we may stop delivering the Subscription for the remainder of that month. We shall use reasonable efforts to:

4.1.1 notify you in advance if we believe it is likely to do so; and

4.1.2 discuss with you how to deal with such excess (e.g. by making alternative arrangements, prioritising key matters or pausing non-time critical work).

## 5 RESOURCE LEVEL

Where the Subscription is a Personnel Subscription you shall only be entitled to use the grade of Personnel stated on the Quote, but we may perform the Subscription using more junior personnel, provided that we do not charge you for our time in supervising them.

## APPENDIX 3

### Blended Personnel Subscriptions

#### 1 APPENDIX SCOPE

- 1.1 This Appendix applies to any Subscription: (a) which references it in the Quote; (b) is referred to as a Blended Personnel Subscription; or (c) which is a Variable Metric Subscription (to which Appendix 2 applies) and:
  - 1.1.1 the Subscription Metric is hours / time; and
  - 1.1.2 you are entitled to time in respect of more than one level of seniority of our personnel.
- 1.2 Appendix 2 (*Variable Metric Subscription*) shall also apply to a Blended Personnel Subscription, save for paragraph 5 of that Appendix.

#### 2 DEFINITIONS

- 2.1 In this Appendix:

“**Actual Leverage**” means the Leverage of the Actual Metric Usage;

“**Assumed Leverage**” means the Leverage we assumed would be required in order to deliver the Subscription Deliverable, as set out in the Quote (and as amended from time to time in accordance with clause 3.1); and

“**Leverage**” means the proportion of each grade of our Personnel involved in delivering the Subscription Deliverable, expressed as a percentage, calculated by dividing the Actual Metric Usage by each grade by the total Actual Metric Usage.

#### 3 QUARTERLY FEE REVIEW

- 3.1 This paragraph shall apply in addition to paragraph 3 of Appendix 2 (*Variable Metric Subscription*). However, we shall carry out such reviews (and any change to the fees as a result) as one process.
- 3.2 We will carry out a quarterly review of Actual Leverage against the Assumed Leverage.
- 3.3 Where such review identifies that Actual Leverage is more senior than the Assumed Leverage, we may:
  - 3.3.1 increase our fees for the next Subscription Period, and (unless expiring in the next 30 days) the remainder of the current Subscription Period, based upon our then-current rate card for our Personnel (applying a similar level of discount); and
  - 3.3.2 if we have already issued our invoice for a Subscription Period, issue a supplemental invoice for the difference between that invoice and our revised fees.
- 3.4 Where such review identifies Actual Leverage lower than the Assumed Leverage in two consecutive Subscription Periods, we shall discuss with you whether it would be appropriate to reduce the Assumed Leverage.