Invoice Capture Managed Service Terms (Version 5)

These provisions shall apply to any Invoice Capture Managed Service Terms supplied to a Customer by Proactis from 14th October 2026 until superseded by a later version.

1. Definitions

1.1. In addition to the definitions set out in the General Terms, the following definitions shall apply in these terms:

"Document" means all electronic (PDF, Word or XML) invoices and credit notes and other such documents and materials, as agreed between the parties, submitted to the Customer by its third-party suppliers.

"Fees" means the fees to be paid by the Customer for the Invoice Capture Managed Service as set out in the Customer Contract.

"Recognised Currencies" means the Great British Pound (GBP), Euro (EUR) and United States Dollar (USD). Any additionally proposed currencies will only apply if agreed in writing between the parties.

"Invoice Capture Managed Service" means the invoice managed processing services provided by Proactis as more fully described in these terms.

"Sample Documents" Documents submitted by the Customer to Proactis during the configuration of the initial setup of the System and prior to the roll out to other territories outside of the United Kingdom, subject to the terms of the Customer Contract.

"Service Credits" means, for the purposes of these terms, the Service Credits calculated in accordance with paragraph 5 of these terms.

"Suppliers" means suppliers of the Customer.

2. Scope of processing

2.1. The Invoice Capture Managed Service will be either a 'fully managed service' or a 'hybrid service'.

2.2. With a fully managed service, Proactis will:

2.2.1. create and manage exclusively for the Customer an email address, to which the Customer (and/or its suppliers) shall send, via email the Suppliers Documents in PDF/word format; and

2.2.2. all Documents shall be processed as follows:

2.2.2.1. Key header level information from machine printed text on the document will be extracted. This will be the invoice number, invoice date, Supplier code, purchase order number, net amount, VAT amount, gross amount and Recognised Currencies. It is expected that these fields are all present and correctly labelled on documents.

2.2.2.2. If the header level information is present and machine printed but has not been automatically extracted by the System, Proactis shall manually complete the task where reasonably practical.

2.2.2.3. The System will validate the Document information against data from the Licensed Software or Third Party Software to check whether the purchase order and/or Supplier details are valid, in accordance with business rules agreed between the parties.

2.2.2.4. If either or both of the purchase order or Supplier details appear invalid or the fields detailed in 2.2.2.1 extracted are incomplete, invalid or missing from the invoice, or there are duplicate invoices the document shall be sent into the query resolution process whereby Customer will use its best endeavours to resolve the same without undue delay.

2.2.2.5. If the Document information is captured and validated, the System shall release the header level invoice information for import into the relevant Licensed Software or Third Party Software for further processing

2.3. With the 'hybrid' invoice processing service, the Customer will:

2.3.1. adopt scanners and a scanning process in order to produce the highest quality images, once approved by Proactis; and

2.3.2. undertake ongoing maintenance, repair and improvements as reasonably required by Proactis to enable Proactis to meet its obligations; and

2.3.3. undertake the document receipt, preparation and scanning as described in clause 2.2; and

Once electronic images are received by Proactis the process will be the same as in clause 2.2.5.

2.4. Documents and electronic images will be stored in a secure manner by Proactis for the duration of the Customer Contract or 7 years, whichever is the lesser. Upon expiry or termination of the Customer Contract, Proactis shall provide the Customer with the electronic images of the Documents and extracted data in a format agreed between the parties acting reasonably. The Customer shall pay all reasonable costs for any required return of images and data.

2.5. The Service Levels shall apply only if the Recognised Currencies are used. Any other currencies introduced by Customer and accepted by Proactis on Documents shall not have the benefit of the Service Levels.

2.6. In the provision of the Invoice Capture Managed Service, Proactis functions as an invoice transmission facilitator and as such Proactis is in no way responsible for the legitimacy or legal compliance of invoices contained within the Proactis Invoice Capture Managed Service. Proactis does not and shall not be deemed to provide tax or legal advice to any party utilizing the Invoice Capture Managed Service, including but not limited to advice in relation to invoices or invoice regulations. Each user is solely responsible for any liabilities, penalties, interest, or any other obligations arising from their use of the Invoice Capture Managed Service.

3. Fees

3.1. Invoice Capture Managed Service Fees shall be that sum per invoice processed indicated in the Customer Contract.

3.2. Invoicing and payment of the Fees

3.2.1. Proactis shall invoice the Customer the Minimum Annual Service Charge on the commencement of this Customer Contract, payable within 30 days of the invoice date.

3.2.2. In the final month of each annual period, a reconciliation will be undertaken by Proactis of the actual volume of Documents ("Reconciled Volume") compared with the Minimum Annual Volume. If the actual number of Documents processed in the year exceeds the Minimum Annual Volume, then Proactis shall advise Customer of the Reconciled Volume and invoice the Customer the difference between the Reconciled Volume and the Minimum Annual Volume at the relevant rate.

4. Customer additional obligations

4.1. The Customer shall be wholly responsible for ensuring the legal compliance of any invoice being processed within the Proactis Invoice Processing Managed Service. Where so required, the Customer agrees to undertake all supplier communication to ensure all invoices are legally compliant. The Customer will not rely on its use of the Invoice Capture Managed Services to determine compliance with any laws or governmental regulations, including but not limited to legal regulations pertaining to invoices.

4.2. The Customer will ensure that only relevant Documents are sent to the Invoice Capture Managed Service by Suppliers or the Customer. Any Documents not relevant to the process received from the Suppliers or the Customer will be sent to Query Desk as a non-invoice for the Customer to action.

4.3. The Customer will communicate their internal email address to ensure that all Documents are sent to the correct address for the Invoice Capture Managed Service.

4.4. Where PDF/word Documents are received by the Invoice Capture Managed Service, the Customer will ensure that Suppliers are made aware of the need to send one PDF Document as one invoice, failure of the Supplier to do so will result in the Documents being routed to the exception/query process for resolution by the Customer.

4.5. The Customer acknowledges that failure to provide Documents in the correct format and quality will result in additional work for Proactis and any resulting additional reasonable costs will be payable by the Customer.

4.6. Any Documents in the Proactis query resolution process will be resolved by the Customer as soon as practically possible. The Customer will ensure that all Supplier information is relevant and up to date and is aligned with supplier data that will be detailed on Documents.

4.7. The Customer agrees to ensure that Documents are provided in English language only for the initial territories of the United Kingdom and North America. The Customer represents that all Sample Documents that are provided to Proactis are a true representation (meaning that all characteristics including, but not limited to the usual number of pages, font, colour, whether duplex or not, landscape or portrait, paper quality and other characteristics will be the same) of the Documents that will be processed by Proactis under the Invoice Capture Managed Service.

5. Service Levels and Service Credits

5.1. The Customer may terminate the Invoice Capture Managed Service on reasonable notice if Proactis frequently and persistently fails to meet the Service Levels below, provided the Customer has first given Proactis a reasonable period to remedy the same and the Customer has conformed with its obligations in the Customer Contract.

5.2. Provided the Customer has complied with its obligations the following Service Levels shall apply to the Invoice Capture Managed Service:

5.2.1. Proactis will within 48 hours of receipt of a Document (ignoring weekends and Proactis Holidays) provide the extracted header level data and the associated image into either:

5.2.1.1. the query resolution process; or

5.2.1.2. the System.

The said receipt will be deemed to have taken place, when the electronic Document(s) have been received via email.

5.3. Provided Proactis receives cleansed supplier database quality PDF/word Documents it will endeavor to achieve an accuracy rate of 99% or greater for the data fields that are captured. The Customer will be required to provide feedback where errors have occurred.

5.4. If Proactis fails to achieve the Service Levels in any quarter, it shall provide Service Credits in accordance with paragraph 5.5. Calculations for the accrual of Service Credits shall commence from the point at which Proactis has failed to meet the appropriate Service Level, and shall apply only during Working Hours.

5.5. Where, in a quarter, the Invoice Capture Managed Service accuracy percentage is less than ninety-nine percent (99%), and / or the percentage of invoices processed within 48 hours is less than ninety-nine percent (99%), a Service Credit shall be calculated as follows:

5.5.1. For each tenth of one percent (0.1%) or part thereof below ninety-nine per cent (99%), an award of fifty (50) Service Credits will be made.

5.5.2. All Service Credits shall be calculated over a quarter.

5.5.3. The value of a Service Credit shall be calculated as a percentage of Minimum Annual Fee divided by four, increasing at an exponential rate at two (2) break points as set out in Table below. For the avoidance of doubt, where the number of Service Credits accrued in any quarter is greater than five hundred (500) the value of each service credit for that quarter shall be 0.01%.

5.6. The maximum total value of Service Credits accrued during a quarter shall not exceed ten per cent (10%) of the Minimum Annual Service Fee for that year divided by four.

Column 1 Service Credits	**Column 2: Value per Service Credit (% of Minimum Annual Fee divided by four)**	**Column 3: Total % of the Minimum Annual Fee divided by four at the maximum number of Service Credits in Column 1 for any quarter is**
1 – 500	0.0075%	3.75%
501 – 1000	0.01%	10%

5.7. Proactis shall determine the measurement of Service Levels relating to the 48-hour turnaround of processed Documents.

5.8. Proactis shall determine the calculation of Service Credits.

5.9. Proactis' measurement of Service Levels and the Customer's notification of Invoice Capture Managed Service accuracy and calculation of Service Credits shall be reviewed, by way of a quarterly service report produced by Proactis and agreed with

the Customer at quarterly service review meetings. Neither party shall unreasonably withhold its agreement to the quarterly service report and corresponding Service Credits.

5.10. Service Credits shall be shown as a debit on Proactis' next invoice or refunded at the end of the next period whichever is sooner.