



The Law :

Software is covered by the laws of copyright – in the UK, the Copyright, Designs and Patents Act (1988). Use of software outside the licence terms can constitute either a civil and/or a criminal breach of copyright law. There are also many other laws covering other aspects of IT, such as stored information on networks and drives, Internet and e-mail use.

Liabilities :

All organisations need to understand their liabilities and how the simple act of supplying a user with a computer in the workplace can have extremely serious consequences if that user is not correctly trained or is unaware of the consequences of simple everyday actions.

Officers of an organisation are responsible for ensuring that it complies with the law - ignorance is no defence. Even if a manager is totally unaware that illegal use of software is occurring within the organisation, that does not absolve it or him from legal proceedings. In the recent past, those sued by software publishers have been forced to pay all the legal fees that have been incurred; pay damages to the copyright holder; remove all their illegal software and buy new, legal copies.

Where an offence has been committed by an organisation and is proved to have been committed with the consent or connivance of a director, manager, secretary or other similar officer of the organisation, or a person purporting to act in any such capacity, he/she (as well as the organisation) is guilty of the offence and liable to be proceeded against and punished accordingly.

In simple English, if an organisation gives an employee a computer and does not take adequate steps to correctly train and control the employee's use of that computer, then an officer of the organisation can be held personally liable, along with the organisation, for the consequences of that omission.

Penalties :

- The legal penalties include unlimited fines and up to ten years in prison following the Copyright, Designs and Patents Act (1988) and the Trade Marks (Offences and Enforcement) Act 2002.
- Directors of companies can be personally charged and risk 2 years imprisonment
- Personally, you could lose your reputation, promotion prospects or even your job.
- There are no mitigating circumstances and no organisation should condone or defend either illegal copying or the use of unauthorised software.

Compliance :

To ensure compliance with the law and to avoid the penalties arising from non-compliance, **Effective Systems** recommends that organisations should follow a simple six-step plan :

- Create and implement a software policy
- Train staff about the implications and the need for adherence to the policy
- Carry out a full software audit (use a software audit tool where necessary/appropriate)
- Carry out a full reconciliation between the audit and physical licences or "proof of purchase" for each item identified
- Remedy any identified defects/shortfalls in licencing
- Implement full Management Controls over software assets

Effective Systems Ltd are able to assist with all/any of these steps to ensure full compliance

Effective Systems Ltd acknowledges the co-operation of the Federation Against Software Theft in the preparation of this information sheet

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