



ARRI CT LTD

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ARRI CINE TECHNIK LIMITED

TERMS AND CONDITIONS

FOR THE PROVISIONS OF SERVICES AND SALE OF SPARE PARTS

THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THE PROVISIONS OF CLAUSE 13.

Interpretation

1.1 Definitions. In these Conditions, the following definitions apply:

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Commencement Date: has the meaning set out in clause 2.2.

Conditions: these terms and conditions as amended from time to time in accordance with clause 16.7.

Contract: the contract between the Supplier and the Customer for the supply of Goods and/or Services in accordance with these Conditions.

Customer: the person or firm who purchases the Goods and/or Services from the Supplier.

Customer's Equipment: equipment delivered by the Customer to the Supplier to which the Services relate.

Deliverables: the Goods and/or parts (of any description) required to carry out the Services.

Delivery Location: has the meaning set out in clause 4.

Estimate: any estimate (as opposed to a Quotation) given by the Supplier to the Customer for carrying out the Services.

Force Majeure Event: has the meaning given to it in clause 15.1.

Goods: spare parts and / or consumable items as set out in the Order.

Goods Specification: any specification for the Goods, including any relevant plans or drawings, that is agreed in writing by the Customer and the Supplier.

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or

equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

Order: the Customer's order for the supply of Goods and/or Services, as set out in the Customer's purchase order form, or the Customer's written acceptance of the Supplier's Quotation or (in the case of Services) as set out in the Supplier's Estimate as the case may be.

Quotation: means the quotation from the Supplier addressed to the Customer.

Services: the services, including the Deliverables, supplied by the Supplier to the Customer as set out in the Service Specification.

Service Specification: the description or specification for the Services provided in writing by the Supplier to the Customer.

Supplier: Arri Cine Technik Limited registered in England and Wales with company number 07111405 .

Supplier Materials: has the meaning set out in clause 9.1(g).

1.2 **Construction.** In these Conditions, the following rules apply:

- (a) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assigns;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- (d) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (e) a reference to **writing** or **written** includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 The Order constitutes an offer by the Customer to purchase Goods and/or Services in accordance with these Conditions.



- 2.2 The Order shall only be deemed to be accepted when the Supplier issues written acceptance of the Order, including by way of "Order Confirmation", at which point and on which date the Contract shall come into existence (**Commencement Date**).
- 2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.
- 2.4 Any samples, drawings, descriptive matter or advertising issued by the Supplier and any descriptions of the Goods or illustrations or descriptions of the Services contained in the Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Services and/or Goods described in them. They shall not form part of the Contract or have any contractual force.
- 2.5 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.
- 2.6 Any Quotation or (in the case of Services) Estimate (as the case may be) given by the Supplier shall not constitute an offer, and is only valid for a period of 20 Business Days from its date of issue.
- 2.7 All of these Conditions shall apply to the supply of both Goods and Services except where application to one or the other is specified.

3. GOODS

- 3.1 The Goods are described in the Supplier's catalogue as modified by any applicable Goods Specification.
- 3.2 To the extent that the Goods are to be manufactured in accordance with a Goods Specification supplied by the Customer, the Customer shall indemnify the Supplier against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other reasonable professional costs and expenses) suffered or incurred by the Supplier in connection with any claim made against the Supplier for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection

with the Supplier's use of the Goods Specification. This clause 3.2 shall survive termination of the Contract.

- 3.3 The Supplier reserves the right to amend the specification of the Goods or Goods Specification if required by any applicable statutory or regulatory requirements.

4. DELIVERY OF GOODS

- 4.1 The Supplier will deliver Goods for eventual delivery to any address within or outside the United Kingdom (**Delivery Location**), as specified by the Customer in the Order. If no location is specified in the Order, the Delivery Location shall be the Supplier's trading premises as noted in the Order.

- 4.2 Delivery of the Goods shall be completed on the Goods' arrival at the Delivery Location or, where the Customer arranges its own collection or its own carrier, the handing over of the Goods to the Customer or the Customer's nominated carrier

- 4.3 In respect of any Order for delivery outside the United Kingdom the Supplier will at the Customer's expense and acting as agent for the Customer use reasonable endeavours to deliver the Goods on board a ship or aircraft at the nearest convenient port or airport to the Supplier's premises or its supplier's premises.

- 4.4 At the Customer's request the Supplier will, as the Customer's agent and at the Customer's expense use reasonable endeavours to arrange:

- (a) to ship the Goods to the Delivery Location, and
- (b) to insure the Goods during shipment in accordance with the Institute of London Underwriters Cargo Clauses (all risks) Institute War Clauses, Institute Strikes, Riots and Civil Commotion Clauses, the Supplier will not be under any liability whatsoever for any loss or damage arising through the choice of carrier or any act or omission of the carrier.

- 4.5 Where Goods are to be delivered by instalments or against call-off and the Customer either:

- (a) fails to accept any delivery when due or in the case of call-off fails to accept outstanding deliveries within twelve months of the date of the Commencement Date ; or

(b) defaults in making any payment when due;

then the Supplier may cancel any or all subsequent deliveries and the Customer shall compensate the Supplier in full for any loss or expense arising from such cancellation.

- 4.6 The risk of damage to or loss of all or any of the Goods shall pass to the Customer forthwith upon delivery or deemed delivery thereof to the Customer and accordingly, pending payment for the Goods the Customer shall keep the Goods insured to the full amount of the price at which the Goods are sold to the Customer against all insurable risks.
- 4.7 Notwithstanding the provisions of clause 4.1, the property in any or all Goods shall remain vested in the Company until the Supplier receives payment in full of all sums due to the Supplier under the Contract.
- 4.8 Until payment in full all amounts due to the Supplier under the Contract, the Customer shall hold any or all the Goods in a fiduciary capacity for the Supplier and the Customer shall hold the Goods separately from its' own assets and clearly marked as the property of the Supplier PROVIDED THAT the Customer shall have the right to sell any or all of the same in which event the rights of the Supplier hereunder shall attach to all the proceeds of sale of the Goods and the Customer shall place such proceeds in a separate Bank Account in trust for the Supplier.
- 4.9 Until payment in full all amounts due to the Supplier under the Contract , the Supplier shall at all times have full right and licence to enter upon the Customers' premises to remove the Goods.
- 4.10 The Supplier will, in all cases, make every effort to supply the Goods within the specified delivery time but all dates quoted for delivery of the Goods are approximate only and the Supplier shall not be liable for any delay in delivery or provision howsoever caused, including a Force Majeure Event or the Customer's failure to provide the Supplier with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods
- 4.11 If the Supplier fails to deliver the Goods, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. The Supplier shall have no liability for any failure to deliver the Goods to the extent

that such failure is caused by a Force Majeure Event the Customer's failure to provide the Supplier with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

- 4.12 The Supplier may deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment
- 4.13 An Order once placed with the Supplier cannot be cancelled, deferred or altered except with the written consent of the Supplier.
- 4.14 The Supplier shall not be liable for any damage, discrepancy, or shortage in the Goods unless the Customer notifies both the Supplier and the carrier within seventy-two hours of the date of delivery of the Goods. If Goods for delivery in the United Kingdom do not arrive within 10 Business Days from the date of the invoice, the Customer must advise the Supplier immediately.
- 4.15 The Supplier under this clause 4 shall not extend to any of the Goods or parts thereof manufactured by third parties and, in respect of such Goods, the Supplier shall if called upon to do so by the Customer in writing use all reasonable endeavours to procure for the Customer the benefit of any warranty or guarantee provided to the Supplier by any such third party apart from which the Supplier shall be under no liability whatsoever in respect of any defect in such Goods.
- 4.16 Should the Customer specify any particular make or design of the Goods the Supplier shall have no liability for any failure of design or quality of the Goods.
- 4.17 Subject to the express provisions of this clause 4, the Customer shall not rely upon any representation as to the quality of the goods or as to the fitness for any particular purpose unless the same shall have been made by the Supplier in writing. Without prejudice to the generality of this statement all weights, measurements and specifications quoted by the Company are nominal, and subject to manufacturing tolerances, and exact production conformity with samples, which have been previously submitted, cannot be guaranteed.
- 4.18 The Supplier indemnifies the Customer against loss arising from any claim that the Goods infringes a third parties patent or other registered industrial property right

provided that the Customer shall immediately notify the Supplier of any such claim and the Supplier shall have the sole conduct of any proceedings. At the Supplier's request and expense the Customer will render all necessary assistance to the Supplier in defending such claims. Where the Supplier manufactures Goods to the Customer's design, the Customer fully and effectively indemnifies the Supplier on demand against all loss, costs, damages, demands, claims, proceedings and expenses (including professional advisers fees) arising from any claims that the manufacture or sale of such Goods in accordance with the Customer's design infringes any third party's patent or other industrial property right whatsoever.

5. LICENCES

5.1 Where the Goods are to be delivered overseas:

- (a) the Customer shall at its expense obtain all necessary Export and Import Exchange Control or other licences (unless agreed otherwise in writing between the parties) and advise the Company of the issue of such licences, and
- (b) give the company written details in English of any regulations or specifications with which the goods must comply.

6. QUALITY OF GOODS

6.1 The Supplier warrants that on delivery, and for a period of 12 months from the date of delivery (**warranty period**), the Goods shall:

- (a) conform in all material respects with their description and any applicable Goods Specification;
- (b) be free from material defects in design, material and workmanship;
- (c) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979); and

6.2 Subject to clause 6.3, if:

- (a) the Customer gives notice in writing during the warranty period within a reasonable time of discovery that some or all of the Goods do not comply with the warranty set out in clause 6.1;

- (b) the Supplier is given a reasonable opportunity of examining such Goods;
and
 - (c) the Customer (if asked to do so by the Supplier) returns such Goods to the Supplier's place of business at the Supplier's cost,
the Supplier shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.
- 6.3 The Supplier shall not be liable for the Goods' failure to comply with the warranty in clause 6.1 if:
- (a) the Customer makes any further use of such Goods after giving a notice in accordance with clause 6.2;
 - (b) the defect arises because the Customer failed to follow the Supplier's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice;
 - (c) the defect arises as a result of the Supplier following any drawing, design or Goods Specification supplied by the Customer;
 - (d) the Customer alters or repairs such Goods without the written consent of the Supplier;
 - (e) the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions;
 - (f) the Goods differ from their description **or** the Goods Specification as a result of changes made to ensure they comply with applicable statutory or regulatory standards;
 - (g) the Goods have been installed (where applicable) operated and maintained other than in accordance with good cinematographic practice and/or engineering practice and/or the recommendations of the manufacturers
- 6.4 Except as provided in this clause 6, the Supplier shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 6.1.
- 6.5 The terms of these Conditions shall apply to any repaired or replacement Goods supplied by the Supplier under clause 6.2.

7. TITLE AND RISK

- 7.1 The risk in the Goods shall pass to the Customer on completion of delivery.
- 7.2 Title to the Goods shall not pass to the Customer until the Supplier receives payment in full (in cash or cleared funds) for the Goods.
- 7.3 Until title to the Goods has passed to the Customer, the Customer shall:
- (a) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
 - (b) not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
 - (c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on the Supplier's behalf from the date of delivery;
 - (d) notify the Supplier immediately if it becomes subject to any of the events listed in clause 14.1.2 to clause 14.1.13; and
 - (e) give the Supplier such information relating to the Goods as the Supplier may require from time to time.
- 7.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 14.1.2 to clause 14.1.13, then, without limiting any other right or remedy the Supplier may have:
- (a) the Customer's right to resell Goods or use them in the ordinary course of its business ceases immediately; and
 - (b) the Supplier may at any time:
 - (i) require the Customer to deliver up all Goods in its possession which have not been resold, or irrevocably incorporated into another product; and
 - (ii) if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

8. SUPPLY OF SERVICES

- 8.1 The Supplier shall provide the Services to the Customer in accordance with the Service Specification in all material respects.
- 8.2 The Supplier shall use all reasonable endeavours to meet any performance dates for the Services specified in writing, but any such dates shall be estimates only and time shall not be of the essence for the performance of the Services.
- 8.3 The Supplier shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.
- 8.4 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.

9. CUSTOMER'S OBLIGATIONS

- 9.1 The Customer shall:
 - (a) ensure that the terms of the Order and (if submitted by the Customer) the Goods Specification are complete and accurate;
 - (b) co-operate with the Supplier in all matters relating to the Services;
 - (c) provide the Supplier, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by the Supplier to provide the Services;
 - (d) provide the Supplier with such information and materials as the Supplier may reasonably require to supply the Services, and ensure that such information is accurate in all material respects;
 - (e) prepare the Customer's premises for the supply of the Services;
 - (f) obtain and maintain all necessary licences, permissions and consents which may be required for the Services before the date on which the Services are to start; and
 - (g) keep and maintain all materials, equipment, documents and other property of the Supplier (**Supplier Materials**) at the Customer's premises in safe

custody at its own risk, maintain the Supplier Materials in good condition until returned to the Supplier, and not dispose of or use the Supplier Materials other than in accordance with the Supplier's written instructions or authorisation.

9.2 If the Supplier's performance of any of its obligations in respect of the Services is prevented or delayed by any act or omission by the Customer or failure by the Customer to perform any relevant obligation (**Customer Default**):

- (a) the Supplier shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;
- (b) the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause 9.2; and
- (c) the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.

10. CHARGES AND PAYMENT

10.1 **The price for Goods** shall be the price set out in the Order or, if no price is quoted, the price set out in the Supplier's published price list as at the date of delivery. The price of the Goods is exclusive of all costs and charges of packaging, insurance, transport of the Goods, which shall be paid by the Customer when it pays for the Goods.

10.2 **The charges for Services** shall be on a time and materials basis:

- (a) the charges shall be calculated in accordance with the Supplier's standard daily fee rates, as set out in the Estimate;
- (b) the Supplier's standard daily fee rates for each individual person are calculated on the basis of an eight-hour day from 8.00 am to 5.00 pm worked on Business Days;
- (c) the Supplier shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services including, but not limited to, travelling expenses, hotel costs,

subsistence and any associated expenses, and for the cost of services provided by third parties and required by the Supplier for the performance of the Services, and for the cost of any materials;

- (d) the Supplier shall be entitled to charge for all Deliverables.

10.3 The Supplier reserves the right to:

10.3.1 increase its standard daily fee rates for the charges for the Services, provided that such charges cannot be increased more than once in any 6 month period. The Supplier will give the Customer written notice of any such increase not less than one (1) months before the proposed date of the increase. If such increase is not acceptable to the Customer, it shall notify the Supplier in writing within 2 weeks of the date of the Supplier's notice and the Supplier shall have the right without limiting its other rights or remedies to terminate the Contract by giving not less than 1 weeks' written notice to the Customer; and

10.3.2 increase the price of the Deliverables , by giving notice to the Customer at any time before delivery, to reflect any increase in the cost of Deliverables to the Supplier that is due to:

- (a) any factor beyond the control of the Supplier (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
- (b) any request by the Customer to change the delivery date(s), quantities or types of Deliverables ordered, or the Goods Specification; or
- (c) any delay caused by any instructions of the Customer in respect of the Deliverables or failure of the Customer to give the Supplier adequate or accurate information or instructions in respect of the Deliverables .

10.3.3 cease to undertake the Services where the likely cost for the Services is likely to exceed any Estimate previously given to the Customer by the Supplier due to:

- (a) unforeseen circumstances or problem through no fault on the part of the Supplier at the date of giving such Estimate; or
- (b) the Customer's Equipment is in the Supplier's reasonable opinion beyond economic repair; and

in either of these circumstances:

- (i) the Supplier shall notify the Customer in writing (**Supplier's Notice**) as soon as reasonably practicable and shall present the Customer which an explanation and (where appropriate) an estimate (**Revised**

Estimate) of the likely additional costs (including the cost of Deliverables) to complete the Services and the likely delivery date, if reasonably ascertainable;

- (ii) no further work will be carried out in respect of the Services after giving the Supplier's Notice;
- (iii) unless within 14 days of the date of the Supplier's Notice the Customer has given the Supplier written authority to continue the Services based on the Revised Estimate (but subject always and without prejudice to the further application of the foregoing provisions under sub-clauses (i) and (ii) of this clause 10.3.3, then the Supplier shall invoice the Customer for the Services (including the cost of Deliverables) as at the date of the Supplier's Notice;
- (iv) For the avoidance of doubt, where the Customer's Equipment is in the Supplier's reasonable opinion beyond economical repair the Supplier will be entitled to submit its invoice with or as soon as possible following the Supplier's Notice and shall be entitled to payment irrespective of the fact that such equipment is beyond economical repair payment for the Services and Deliverables;

10.3.4 If the Customer fails to make payment for the Services in full on the due date, the whole of the amount then outstanding under the Contract shall become immediately due and payable and, without prejudice to any other right or remedy available to the Supplier, the Supplier shall be entitled to:

- (a) appropriate any payment made by the Customer to such of the Customer's Equipment (or any Goods supplied under any other contract between the Customer and the Supplier) as it thinks fit (despite any purported appropriation by the Customer);
- (c) charge interest pursuant to clause 10.7 on the amount outstanding from the due date to the date of receipt by the Supplier (whether or not after judgment);;
- (d) suspend the Services until payment has been made in full;
- (e) make a storage charge for the Customer's Equipment until payment in full at its current rates from time to time; and
- (f) a general lien on all the Customer's Equipment and property belonging to the Customer, exercisable in respect of all sums lawfully due from the Customer to the Supplier. The Supplier shall be entitled, on the expiry of 14 days' notice in writing, to dispose of

such Customer's Equipment or property in such manner and at such price as it thinks fit and to apply the proceeds towards the amount outstanding and shall thereafter, where applicable, account to the Customer for any excess as soon as reasonably practicable.

10.4 **In respect of Goods**, the Supplier shall invoice the Customer on or at any time after completion of delivery. **In respect of Services**, the Supplier shall invoice the Customer on completion of the Services.

10.5 Unless otherwise stated in the Quotation or Estimate (as the case may be) the Customer shall pay each invoice submitted by the Supplier:

10.5.1 within 30 days of the date of the invoice; and

10.5.2 in full and in cleared funds to a bank account nominated in writing by the Supplier, and

time for payment shall be of the essence of the Contract.

10.6 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services or Goods at the same time as payment is due for the supply of the Services or Goods.

10.7 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 4% per annum above Barclays Bank plc base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

10.8 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding except as required by law. The Supplier may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.

11 INTELLECTUAL PROPERTY RIGHTS

11.3 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by the Supplier.

11.4 The Customer acknowledges that, in respect of any third party Intellectual Property Rights in the Services, the Customer's use of any such Intellectual Property Rights is conditional on the Supplier obtaining a written licence from the relevant licensor on such terms as will entitle the Supplier to license such rights to the Customer.

11.5 All Supplier Materials are the exclusive property of the Supplier.

12 CONFIDENTIALITY

A party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (**disclosing party**), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 12 shall survive termination of the Contract.

13 LIMITATION OF LIABILITY: THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THIS CLAUSE

- 13.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:
- 13.1.1 death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
 - 13.1.1 fraud or fraudulent misrepresentation;
 - 13.1.2 breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession);

- 13.1.3 breach of the terms implied by section 12 of the Sale of Goods Act 1979 (title and quiet possession); or
- 13.1.4 defective products under the Consumer Protection Act 1987.

13.2 Subject to clause 13.1:

- 13.2.1 the Supplier shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract ; and
- 13.2.2 the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed price payable to the Goods or, in the case of the provision of Services, the Supplier's charges for the Services , including the Deliverables.

13.3 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.

13.4 This clause 13 shall survive termination of the Contract.

14 TERMINATION

14.1 Without limiting its other rights or remedies, each party may terminate the Contract with immediate effect by giving written notice to the other party if:

- 14.1.1 the other party commits a material breach of its obligations under this Contract and (if such breach is remediable) fails to remedy that breach within 30 days after receipt of notice in writing to do so;
- 14.1.2 the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;

- 14.1.3 the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (where a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- 14.1.4 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of that other party;
- 14.1.5 the other party (being an individual) is the subject of a bankruptcy petition or order;
- 14.1.6 a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- 14.1.7 an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- 14.1.8 the holder of a qualifying charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- 14.1.9 a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- 14.1.10 any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 14.1.2 to clause 14.1.9 (inclusive);
- 14.1.11 the other party suspends, threatens to suspend, ceases or threatens to cease to carry on, all or substantially the whole of its business;
- 14.1.12 the other party's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- 14.1.13 the other party (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.

- 14.2 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment.
- 14.3 Without limiting its other rights or remedies, the Supplier may suspend the supply of Services or all further deliveries of Goods under the Contract or any other contract between the Customer and the Supplier if the Customer fails to pay any amount due under this Contract on the due date for payment, the Customer becomes subject to any of the events listed in clause 14.1.2 to clause 14.1.13, or the Supplier reasonably believes that the Customer is about to become subject to any of them.
- 14.4 On termination of the Contract for any reason:
- 14.4.1 the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has yet been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;
 - 14.4.2 the Customer shall return all of the Supplier Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then the Supplier may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;
 - 14.4.3 the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and
 - 14.4.4 clauses which expressly or by implication have effect after termination shall continue in full force and effect.

15 FORCE MAJEURE

- 15.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

15.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.

15.3 If the Force Majeure Event prevents the Supplier from providing any of the Services and/or Goods for more than 6 weeks, the Supplier shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.

16 GENERAL

16.1 Assignment and other dealings.

16.1.1 The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

16.1.2 The Customer shall not, without the prior written consent of the Supplier, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

16.2 Notices.

16.2.1 Any notice or other communication given to a party under or in connection with this Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier, fax or e-mail.

16.2.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 12.2(a); if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one Business Day after transmission.

16.2.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action

16.3 Severance.

16.3.1 If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

16.3.2 If any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

16.4 Waiver. A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

16.5 No partnership or agency. Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

16.6 Third parties. A person who is not a party to the Contract shall not have any rights to enforce its terms.

16.7 Variation. Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions shall be effective unless it is agreed in writing and signed by the Supplier.

16.8 Governing law. This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.



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16.9 **Jurisdiction** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).