

Terms of this Agreement

1 This Agreement

a. If you sign this Agreement and we also sign the Agreement we agree to supply the equipment and allow you to hire it for the minimum period specified overleaf (the Minimum Period).

b. These terms and conditions and those on the front pages make up the whole agreement between us. No other terms will apply unless we have agreed to them in writing on or after the date of this Agreement. This Agreement is for the hire of the Equipment to use in your business.

2 Term

The hire period will start on the date of delivery of the Equipment. The hire period will last for the Minimum Period unless terminated by either of us under the terms of this Agreement. On expiry of the Minimum Period this Agreement will be terminated and ownership of the Equipment will pass to You.

3 Rentals

a. You will pay the first Rental to us on the date the Equipment is delivered to you or on the first due date of your existing Direct Debit agreement. You must pay the Rentals to us according to the provisions detailed overleaf.

b. You must pay VAT on all Rentals and other sums due under this Agreement. If the VAT rate changes we can increase or reduce the Rentals including VAT at the rate VAT increases or reduces. You will pay all the Rentals and other sums due under this Agreement on the due dates without deduction or setoff of any amounts for any reason - this is an essential condition of this Agreement. If you do not pay the Rentals or other sums on time this will mean you have committed a serious breach of this Agreement.

d. If you do not pay any Rental or other sum due under this Agreement on time you will pay interest on such sum at the rate of 5% above the Bank of England Base Rate from the date you should have paid it until payment is made.

e. You must continue to pay the Rentals even if the Equipment cannot be used for any reason.

f. We are entitled to charge you for the costs and expenses we may have to pay to enforce the terms of this Agreement. You must pay these charges when we demand them.

4 How to pay

You will pay all Rentals by Direct Debit unless we have agreed otherwise with you. If you do not pay Rentals by Direct Debit, we will increase the Rentals by 3% to cover the extra cost of collection which we will incur.

5 The Supplier

We do not authorise the manufacturer, dealer or any person we do not employ to make any statements for us or commit us to any agreement or to make any amendment to this Agreement. Neither the manufacturer nor any third party by or through whom this transaction was introduced, negotiated or conducted is our agent for any purpose and no liability will attach to us in respect of any statement, representation, warranty or guarantee made or given by any such person.

6 The Equipment

a. The Equipment consists of the items listed overleaf or in an Equipment Schedule. All replacement parts which are fitted to or on the equipment become part of the Equipment and our property.

b. You are responsible for choosing the Equipment and for making sure that it is fit and suitable for your needs. We are not responsible if the Equipment is delivered late.

c. We do not make any representations express or implied about the Equipment, its quality or whether it is suitable for your needs and we exclude liability for any implied terms relating to those matters.

d. Except as provided in Term 6 g, we will not be responsible for any liability, claim, loss or damage caused directly or indirectly by the equipment and in no event will our liability to you exceed the aggregate of the Rentals paid by you at the time the liability arises.

e. You agree that it is not our responsibility to make alterations to the Equipment (or bear the cost of any such alterations) which may become necessary or compulsory as a result of any changes in coinage or the introduction of a European currency.

f. It is your responsibility to obtain warranties for the Equipment from the manufacturer or Supplier.

g. We do not restrict or exclude our liability in respect of death or personal injury to the extent that it results from our negligence or that of our employees in the course of their employment by us.

7 Software licence

If the Equipment includes software then unless we expressly grant you a licence to use the software you are responsible for obtaining a suitable software licence from the manufacturer or the licensor. If we do grant you a software licence, any software licence provided to you by the manufacturer and/or the licensor will not apply. You must comply with the terms of any such software licence.

8 Your duties

You confirm that the information set out in the front pages of this Agreement is accurate and you will;

a. Keep the Equipment at the location shown overleaf and not move it without our written permission;

b. Arrange for the Equipment to be maintained in accordance with the manufacturer's recommendations and any applicable legal requirements;

c. Make sure that the Equipment is used properly according to the manufacturer's operating Instructions and that it is safe. You will be responsible for any loss, damage, or injury (including death) to people or property which is caused by using the Equipment except death or personal injury to the extent that it results from our negligence or that of our employees in the course of their employment by us;

d. Let us inspect the equipment at reasonable times during the period of this Agreement as long as we give you reasonable notice;

e. Be responsible for facing any licence fees, fines, duties, insurance premiums and other payments for the Equipment which are not included in this Agreement;

f. Not alter, improve or add anything to the Equipment without our written permission. If you do improve or add anything to the Equipment, then unless the Equipment can be reinstated to its original condition with no detrimental effect on its value, such improvements and/or additions will automatically become our property at no cost to us;

g. Not sell, sub-let, give away the Equipment or try to do so, use the Equipment as security for a loan or any other obligation;

h. Not transfer or assign any of your rights or obligations under this agreement to anyone else or try to do so without our written permission;

i. Subject to the exception in Term 6 a, be solely responsible for and indemnify us, our employees, agents and contractors at all times from and against (i) loss, theft, destruction of or damage to the Equipment from whatever cause arising and whether or not such loss, theft destruction or damage results from your negligence or that of your employees or agents; and (ii) all claims, demands, proceedings civil or criminal, penalties, fines, liabilities, losses, damages, costs and expenses of whatsoever nature which may be brought against us or which we may suffer, incur or sustain in connection with our ownership of the Equipment or arising out of this agreement. This Indemnity will survive and remain in full force and effect should this Agreement be terminated;

j. Comply with all the terms of the insurance policy referred to in Term 10 and provide us with any assistance we may require to pursue any claim which we may have under the policy.

k. Not fix or attach the equipment to any land or building so that it becomes part of such land or building.

9 Tax

We work out the Rentals assuming that the rate of corporation tax will be the same as the rate which applies when we sign this Agreement. We also assume there will be no changes in tax law, its interpretation or Inland Revenue practice during the term of the Agreement. If any of the above assumptions proves or becomes incorrect we can increase the Rentals by the amount necessary to maintain our after-tax profit at the level it would have been had such an event of change not occurred. We will only do this after giving you seven days written notice. If no Rentals remain to be paid such adjustment must be paid as an additional Rental.

10 Insurance

a. You must insure the Equipment with a reputable insurance company for the full cost of replacing it against loss or damage at all times from all insurable risks (including third party and public liability claims). You must arrange for the insurance company to name us as the loss payee on the Insurance policy. If we ask, you must show us evidence that is acceptable to us, of the insurance policy. If you fail to do so we may arrange Insurance of the equipment and you must reimburse to us the full cost of doing so, including the full premium of such insurance.

b. You must notify us immediately in the event of any loss or damage to the Equipment and you may not settle any claims without our agreement. You agree to hold any insurance proceeds which you receive on trust for us.

c. If the Equipment is damaged or stolen and there is a total loss claim you must within 30 days of such event either: (i) with our written permission, replace the Equipment at your own expense and continue with this Agreement in which case we will give you any Insurance money We receive; or (ii) settle this Agreement by paying us the amounts left owed under Term 13 a. We will take the amount of any relevant insurance settlement we receive from the amount you owe us.

Except as set out in Term 10 c. (ii) the total loss will not affect this Agreement and you must continue to pay all Rentals and any replacement Equipment will become our property.

11 Events of default

a. If you, or any of your partners or anyone who guaranteed the Agreement: (i) fail to pay any Rental or any other sum due under this Agreement or any other agreement with us within 3 days of our demanding payment; or (ii) do not keep to any of the terms of this Agreement or any other agreement with us after we have given not less than 10 days to remedy the breach if we think that the breach is remediable; or (iii) make any statement, representation or warranty under or in relation to this Agreement or any other agreement with us which is or becomes materially incorrect; or, (iv) are Subject to a change in voting control in respect of yourself or any holding company which controls you or a material part of your assets is transferred to another party; or (v) are in material breach of any other agreement with us or another company in the Owners group of companies or are unable to meet your debts as they fall due; or (vi) enter into an arrangement with your creditors, are subject to insolvency proceedings or enter liquidation or have a receiver, administrative receiver or administrator appointed or you stop trading; or (vii) being an individual have a petition for a bankruptcy order for sequestration made against you; die; are subject to an order for the administration of your estate; become apparently insolvent; grant a trust deed for the benefit of your creditors or enter into any composition contract with your creditors; or (viii) being a partnership, are dissolved or have a judicial factor appointed to you or become subject to any of the events set out in paragraph (vii) above; then in every such case an "event of default" will be deemed to have occurred.

b. On the occurrence of an event of default we may by notice in writing to you immediately or at any time afterwards end your right to hire the Equipment without affecting the duties and liabilities you had with us at the time. You will no longer have the right to use or keep the Equipment and you must return it to us in accordance with Term

14.

c. Our right to terminate the hiring will not be prejudiced by us accepting Rentals subsequent to the occurrence of an event of default.

12 Voluntary termination

You may end the hiring under this Agreement early subjected 30 days written notice. If you do, you will no longer be able to keep the Equipment and must return it in accordance with Term 14 and you must pay us the amount set out in Term 13a.

13 What you must pay if you stop hiring the Equipment

a. If we end your right to hire the Equipment under Term 11 or if you settle the Agreement under term 10 or 12 you must in addition to any other amounts due hereunder pay us by way of compensation the rest of the Rentals which you would have paid over the full Minimum Period. Payment of such amount will be equal to the loss we have suffered and will not affect our rights to claim damages.

b. On the ending of the hiring under Term 11 and when the Equipment is re-delivered to us we will use reasonable endeavours to sell the Equipment and will apply the net sale proceeds (if any) after deducting any selling costs against any sums which you owe us under this Term.

14 Returning the Equipment

a. Should you stop hiring the equipment under this Agreement during the Minimum Period, you agree to return the Equipment to us at a place we choose in the UK unless the Equipment has been the subject of a total loss and has not been replaced in accordance with Term 10 c (i). You will have to pay to do this and the Equipment must be in the same original complete working order as when you accepted it taking account of normal wear and tear resulting from using it properly.

b. If you do not do this, we will arrange for the Equipment to be removed and returned, You agree to pay the expenses necessary for this and for putting the Equipment in good condition. You must give us access to the site where the Equipment is located in order that we may perform such removal.

15 Joint and individual liability

If you are a partnership all partners will be liable jointly and individually for all your duties under this Agreement and when "you" and similar words are used in this Agreement, they refer to any of the partners as well as all of them and notice to one partner is good notice to them all.

16 Notices

Any notice which has to be served under this Agreement must be a written notice and may be personally delivered or sent by post, or fax, or email. A notice will be taken to have been delivered on the same date it is sent by fax or delivered by hand, or one working day after it has been sent by e-mail, or two days after the date of posting it.

17 Our rights

If we do not enforce all of our rights under this Agreement, or if we delay in doing so, we do not give up any of these rights or the rights which we have if you break this Agreement again.

18 Miscellaneous

a. This Agreement is governed by English Law.

b. The benefit of this Agreement will be freely assignable by us in whole or in part and we may delegate to any person all or any of the rights, remedies, powers or privileges conferred on us under it or provided by law.

c. If any part of this Agreement is found to be unenforceable that will not affect the rest of the agreement in any way.

d. You will not be bound by this agreement until you have signed it. We will not be bound by this Agreement until we have accepted your application and then signed the Agreement.

e. By signing this Agreement you agree that the Contracts (Rights of Third Parties) Act 1999 will not apply.