

TERMS AND CONDITIONS FOR THE SUPPLY OF SERVICES BY FORMAT DESIGN LONDON

The Customer's attention is particularly drawn to the provisions of clause 8.

1. INTERPRETATION

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

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

Charges: the charges payable by the Customer for the supply of the Services in accordance with clause 5.

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 12.7.

Contract: the contract between Format Design London and the Customer for the supply of Services in accordance with these Conditions.

Customer: the person or firm who purchases Services from Format Design London.

Deliverables: the deliverables set out in the Order produced by Format Design London for the Customer.

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 Services as set out in the Customer's written acceptance of Format Design London's quotation or in the Customer's purchase order form, the Customer's written acceptance of a quotation by Format Design London, or overleaf, as the case may be.

Services: the services, including the Deliverables, supplied by Format Design London to the Customer as set out in the Specification.

Specification: the description or specification of the Services provided in writing by Format Design London to the Customer set out in the Schedule.

Format Design London: Format Design London Limited registered in England and Wales with company number 08494457.

Supplier Materials: has the meaning set out in clause 6.3.

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 Services in accordance with these Conditions.
- 2.2 The Order shall only be deemed to be accepted when Format Design London issues written acceptance of the Order 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 Format Design London which is not set out in the Contract.
- 2.4 Any samples, drawings, descriptive matter or advertising issued by Format Design London, and any descriptions or illustrations contained in Format Design London's catalogues or brochures, are issued or published for the sole purpose of giving an approximate idea of the Services 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 given by Format Design London shall not constitute an offer, and is only valid for a period of 30 days from its date of issue.

3. SUPPLY OF SERVICES

- 3.1 Format Design London shall supply the Services to the Customer in accordance with the Specification in all material respects.
- 3.2 Format Design London shall use all reasonable endeavours to meet any performance dates specified in the Order, but any such dates shall be estimates only and time shall not be of the essence for performance of the Services.
- 3.3 Format Design London 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 Format Design London shall notify the Customer in any such event.
- 3.4 Format Design London warrants to the Customer that the Services will be provided using reasonable care and skill.

4. CUSTOMER'S OBLIGATIONS

- The Customer shall:
- (a) ensure that the terms of the Order and any information it provides in the Specification are complete and accurate;
 - (b) co-operate with Format Design London in all matters relating to the Services;
 - (c) provide Format Design London, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by Format Design London;
 - (d) provide Format Design London with such information and materials as Format Design London may reasonably require in order to supply the Services, and ensure that such information is accurate in all material respects; and
 - (e) obtain and maintain all necessary licences, permissions and consents which may be required before the date on which the Services are to start;

- 4.2 If Format Design London's performance of any of its obligations under the Contract 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) Format Design London 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 Format Design London's performance of any of its obligations;
- (b) Format Design London shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from Format Design London's failure or delay to perform any of its obligations as set out in this clause 4.2; and
- (c) the Customer shall reimburse Format Design London on written demand for any costs or losses sustained or incurred by Format Design London arising directly or indirectly from the Customer Default.
- 5. CHARGES AND PAYMENT**
- 5.1 The Charges for the Services shall be on a time and materials basis:
- (a) the Charges shall be calculated in accordance with a project estimate and Format Design London's standard hourly fee rates, as set out in the Proposal or Order; and
- (b) Format Design London shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom Format Design London 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 Format Design London for the performance of the Services, and for the cost of any materials.
- 5.2 Format Design London reserves the right to increase its standard daily fee rates, provided that such charges cannot be increased more than once in any 12 month period. Format Design London will give the Customer written notice of any such increase 3 months before the proposed date of the increase. If such increase is not acceptable to the Customer, it shall notify Format Design London in writing within 4 weeks of the date of Format Design London's notice and Format Design London shall have the right without limiting its other rights or remedies to terminate the Contract by giving 4 weeks' written notice to the Customer.
- 5.3 Unless otherwise stated in the Order, Format Design London shall:
- (a) invoice the Customer for 30% of the Charges before commencing the Services. After the Services have commenced, this payment is non-refundable; and
- (b) for the balance of the Charges upon completion of the Services.
- 5.4 Format Design London reserves its right to invoice the Customer for additional charges where the work undertaken exceeds the work outlined. If the work undertaken exceeds the items specified, the Customer agrees to pay appropriate fees for the excess work.
- 5.5 Excess work is defined as any work involving additions and/or changes to the project distance or changes to all pieces of finished work after sign-off by an authorised representative.
- 5.6 Format Design London reserves its right to invoice the Customer for additional charges to reflect any delay caused by any instructions of the Customer or failure by the Customer to give Format Design London adequate information or instructions.
- 5.7 In the event that any Contract is a contract for one phase of a project with the Customer, the Customer shall be notified and shall pay Format Design London's invoice in respect of that phase in full before proceeding with subsequent phases
- 5.8 The Customer shall pay each invoice submitted by Format Design London:
- (a) within 14 days of the date of the invoice; and
- (b) in full and in cleared funds to a bank account nominated in writing by Format Design London, and time for payment shall be of the essence of the Contract.
- 5.9 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable for the time being (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by Format Design London to the Customer, the Customer shall, on receipt of a valid VAT invoice from Format Design London, pay to Format Design London such additional amounts in respect of VAT as are chargeable on the supply of the Services at the same time as payment is due for the supply of the Services.
- 5.10 If the Customer fails to make any payment due to Format Design London 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 cent per annum above the Bank of England's 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.
- 5.11 The Customer shall pay all amounts due under the Contract in full without any set-off, counter claim, deduction or withholding (except for any deduction or withholding required by law). Format Design London may at any time, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by Format Design London to the Customer.
- 6. INTELLECTUAL PROPERTY RIGHTS**
- 6.1 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by Format Design London and the Customer is hereby granted a licence to use all such Intellectual Property rights.
- 6.2 The Customer acknowledges that, in respect of any third party Intellectual Property Rights, the Customer's use of any such Intellectual Property Rights is conditional on Format Design London obtaining a written licence from the relevant licensor on such terms as will entitle Format Design London to license such rights to the Customer.
- 6.3 All Supplier Materials are the exclusive property of Format Design London.
- 6.4 Nothing in this provision shall preclude Format Design London from utilising the results of the provision of services and designs to the Company for promotional and advertising purposes of Format Design London. Format Design London will not knowingly infringe third party rights.

7. 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 7 shall survive termination of the Contract.

8. LIMITATION OF LIABILITY

8.1 Nothing in these Conditions shall limit or exclude Format Design London's liability for:

- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
- (b) fraud or fraudulent misrepresentation; or
- (c) breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession).

8.2 Subject to clause 8.1:

- (a) Format Design London 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
- (b) Format Design London'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 the total value of the work carried out by Format Design London.

8.3 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.

8.4 This clause 8 shall survive termination of the Contract.

9. TERMINATION

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

- (a) the other party commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 30 days of that party being notified in writing to do so;
- (b) 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;
- (c) 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;

- (d) 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 that other party (being a company) other than 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;
- (e) the other party (being an individual) is the subject of a bankruptcy petition or order;
- (f) 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;
- (g) 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);
- (h) the holder of a qualifying floating charge over the assets of that other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- (i) 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;
- (j) 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 9.2(b) to clause 9.2(i) (inclusive);
- (k) the other party suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business;
- (l) the other party's financial position deteriorates to such an extent that in Format Design London's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- (m) 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.

9.2 Without limiting its other rights or remedies, Format Design London 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 and fails to pay all outstanding amounts within 7 days after being notified in writing to do so.

9.3 Without limiting its other rights or remedies, Format Design London may suspend provision of the Services under the Contract or any other contract between the Customer and Format Design London if the Customer becomes subject to any of the events listed in clause 9.2(b) to clause 9.2(m), or Format Design London reasonably believes that the Customer is about to become subject to any of them, or if the Customer fails to pay any amount due under this Contract on the due date for payment.

10. CONSEQUENCES OF TERMINATION

On termination of the Contract for any reason:

- (a) the Customer shall immediately pay to Format Design London all of Format Design London's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has

- been submitted, Format Design London shall submit an invoice, which shall be payable by the Customer immediately on receipt;
- (b) the Customer shall return all of Format Design London Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then Format Design London 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;
- (c) the accrued rights, remedies, obligations and liabilities of the parties as at expiry or termination shall be unaffected, 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
- (d) clauses which expressly or by implication survive termination shall continue in full force and effect.
- 11. FORCE MAJEURE**
- 11.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of Format Design London including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of Format Design London 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.
- 11.2 Format Design London 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.
- 11.3 If the Force Majeure Event prevents Format Design London from providing any of the Services for more than 4 weeks, Format Design London shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.
- 12. GENERAL**
- 12.1 **Assignment and other dealings.**
- (a) Format Design London 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 or agent.
- (b) The Customer shall not, without the prior written consent of Format Design London, assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract.
- 12.2 **Notices.**
- (a) Any notice or other communication given to a party under or in connection with the 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, sent by pre-paid first class post or other next working day delivery service, commercial courier, fax or e-mail.
- (b) 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.
- (c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.
- 12.3 Severance.**
- (a) 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.
- (b) If [one party gives notice to the other of the possibility that] 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.
- 12.4 **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 provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it 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.
- 12.5 **No partnership or agency.** Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.
- 12.6 **Third parties.** A person who is not a party to the Contract shall not have any rights to enforce its terms.
- 12.7 **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 Format Design London.
- 12.8 **Governing law.** This Contract, 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.
- 12.9 **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).