

STANDARD TERMS AND CONDITIONS

1. These Terms and Conditions apply to all agreements entered into between us and to all communications between us in writing whereby we are appointed or serve as designers, suppliers for you or in any capacity whereby we carry out work for you or act on instructions given by you. The term "the Project" shall in these terms and conditions be deemed to apply to all such agreements communications appointments work or instructions and, in any event, in the absence of express agreement to the contrary the Project will be carried out subject to these terms and conditions which constitute the only terms and conditions which we are authorised to agree.
2. All information supplied to us which you expressly require us to treat as confidential and any information concerning your business or financial transactions (unless the same be in the public domain) supplied to us during the course of the Project shall not be disclosed to any person by us except as may be necessary during the course of the Project. We shall take all reasonable steps to minimise the risk of disclosure of confidential information and we will keep confidential the substance of any report test recommendation or advice given by us to you, which obligation shall survive the expiration or termination of the application of these terms and conditions.
3. Our engagement on the Project shall be non exclusive to you save that we warrant that we will not do any act in circumstances which may directly give rise to a conflict of interest except with your consent in writing. Any such obligation on our part shall cease on the expiration or termination of the application of these terms and conditions.
4. Fees and Payments -
 - (a) Unless otherwise specified the agreed fee for the Project constitutes our fixed fee and any services additional to the Project will be charged for at hourly rates plus expenses and such additional services shall (but shall not be limited to) extra work or expense caused either by delay in your giving us instructions or by variations in or work in addition to that comprised in the Project.
 - (b) If you shall reject any work or services rendered by us in the course of the Project there shall be no reduction in the amount of the agreed fee or expenses payable by you unless we in our sole discretion agree any such reduction
 - (c) In addition to the agreed fee there shall be charged: -
 - (i) Value added tax @ the current rate
 - (ii) 1% of the agreed fee plus value added tax for telecommunications and postage
 - (iii) Any fees or costs incurred by us for goods or services supplied to us by agents or sub-contractors travel subsistence and all our out-of-pocket expenses plus 10%
 - (iv) We shall be entitled during the course of the Project to make a photographic record of the same which shall be retained by us on completion. We will supply to you a duplicate copy of such record on completion and any fees or costs incurred will be payable in accordance with clause c(iii) above
 - (d) On the commencement of each phase of the Project there shall be payable to us 30% of the agreed fee together with the amounts specified in clauses © (i) and (ii) above and 50% of the fees or costs specified in clause (c) (iii) above which we may reasonably estimate are to be or are likely to be incurred by us in carrying out the phase
 - (e) The balance of the agreed fee shall thereafter be payable by interim invoices monthly commencing on the first day of the month following the date of commencement of the Project and such interim invoices shall represent work done and fees or costs incurred by us during the period covered by such invoices
 - (f) All invoices issued for payment shall be duly paid within thirty days of the date of issue and failure by you to make punctual payment of any sums due to us shall entitle us to suspend any outstanding or further works and/or to treat the agreement as having been wrongfully terminated by you and shall entitle us to charge interest at the rate of 4 ½% per month for all such sums due to us as shall be outstanding for thirty days or more.
 - (g) Where 50% of the fees or costs specified in clause c (iii) above have been paid on commencement of the Project you will be treated for our accounting purposes as having a credit for the amount so paid to the extent that it is and remains unexpended and a credit or adjustment for any amount so unexpended at completion of the Project shall be made on final invoice. Where our expenditure on such fees or costs at anytime during the Project exceeds such credit then such excess expenditure shall be invoiced and paid in accordance with the provisions of clauses (e) and (f) above

- h) In any circumstances whether anticipated by the provisions of this agreement or otherwise and where we are required to make payments or assume liabilities on your behalf relating to the Project we shall do so as Agents for you and unless such payments or liabilities have been anticipated by us in assessing the fees or costs specified in clause © (iii) above you shall either forthwith make payment to us on the presentation of invoices covering such payments or liabilities or if we so direct settle such invoices or accept such liabilities direct with the third party providing such services or goods and indemnify us and keep us indemnified from and against any liability for the same
 - (i) No property or title to any services supplied by us to you shall pass to you until such time as all sums due to us in accordance with this agreement have been paid in full
- 5 Any completion date specified in the Project is an estimate only and is approximate and whilst we shall use all reasonable endeavours to complete the Project by such completion date we shall not be responsible for any loss or damage whatsoever caused by any reasons outside our direct control and in the event of any cause outside our direct control preventing or postponing completion of the Project by the completion date we shall be entitled to postpone such completion date by such period as shall be reasonable
- 6
- (a) Except where we are shown to have failed to use reasonable care we shall not be responsible for any loss or damage whatsoever arising wholly or partly from any services or goods supplied by us or from any non performance thereof whether or not such loss or damage may arise by virtue of any negligence of our agents servants or sub contractors and in no event shall our liability in respect of any claim for loss or damage of whatsoever nature and whether direct or consequential and howsoever arising exceed the amount of the fee received by us in respect of the Project;. For all such loss or damage exceeding such fee you accept that such amount shall be borne by you and indemnify us in respect thereof
 - (b) All or any disputes claims or demands by you for loss or damage as aforesaid must be notified in writing to us within twelve months of completion of the Project and in the absence of such notification by such date we shall have no further liability to you and you accept that all such loss or damage shall be borne by you and indemnify us in respect thereof
 - © Where we submit to you, drawings design artwork proofs or recommendations in any form for approval we shall not be responsible for errors thereon uncorrected by you
- 7 Intellectual property rights
- (a) Our understanding with you and duty to you is that in carrying out and completing the project we shall not knowingly infringe any third-party intellectual property rights. Unless otherwise agreed between us in writing the services comprising the project shall not oblige us to carry out any investigations touching or concerning any infringement of patents trade marks service marks registered designs design copy rights or copy rights or any intellectual property rights and it shall be your responsibility to take such steps as maybe appropriate to investigate whether the project infringes any intellectual property or other rights of third parties and on the clear understanding that you accept the risks of infringement if you fail to carry out such investigations as aforesaid you agree to fully and effectually indemnify us and to keep us indemnified against all or any such liability arising out of such infringement
 - (b) Where as part of the Project we agree to effect investigations as aforesaid in any category we shall through our agents effect such investigations or searches as our agents as their discretion deem appropriate. No warranty is hereby implied that nay patent process design or trade mark shown by such preliminary clearance or search to be then capable of registration as such or otherwise shall be and remain capable of registration if application for registration in any category is made by you on completion of the Project
 - c) All rights in and to all intellectual property including patentable inventions , non patentable processes, know how design copyright and trade marks including without prejudice to the generality of the foregoing all written reports written projects designs artwork ideas logos or any combination of such matters together representing a concept drawn printed or reproduced whether photographically or otherwise as part of the Project shall be and remain our sole absolute property in any territories throughout the world for the full term of such rights
 - d) Subject to the provisions of this agreement we shall at your written request assign to you such copyright or other rights in any of the material specified in clause © above which is actually incorporated or reproduced in the final concept accepted by you following completion of the Project provided always that all fees and expenses due to us have first been paid
 - e) In the event that you cancel the Project at any stage prior to completion you shall not be entitled to any intellectual property or other rights specified in clause © hereof to any such works or concepts which shall be and remain vested in us absolutely

- f) Unless otherwise agreed between us in writing any intellectual property specified in clause © hereof or any other work prepared designed or created by us or on our behalf which is shown to you as part of the Project but which shall either be rejected by you or not incorporated in the final concept accepted but you shall be and remain our sole absolute property and we shall be entitled to exploit the same for our own benefit or that of a third party.
 - g) Such rights or limited rights as we may have in any intellectual property specified in clause © hereof in any material not otherwise assigned to you which remains our sole absolute property in accordance with these terms and conditions may at our sole discretion be assigned to you on such terms as we may subsequently agree
 - h) Any final concept accepted by you following completion of the Project including any designs drawings artwork ideas models or other printed graphic or photographic material shall only be used by you directly in accordance with the Project and the same may not be used by you for any other project or purpose without our written consent and in such circumstances, we reserve the right to charge such additional fee or royalty as may be reasonably required
 - i) Notwithstanding the above provisions you agree and acknowledge that if in the course of the Project we make any discovery or invention having an application outside the field or scope of the Project then any patent copyright design right or other intellectual property rights therein shall be our sole absolute property without objection by you and you will be required by us join with us in applying at our cost for patent or other protection in the United Kingdom or elsewhere and will at our cost do all things necessary to vest such discovery or invention in us as beneficial owner thereof together with all rights which may belong or accrue thereto. We will on completion of the Project and subject to these terms and conditions grant to you a non exclusive licence for exploitation of such discovery or invention within the field or scope of the Project on such reasonable terms as we may jointly agree including a term (inter alia) that such grant shall be free of payment licence fee or royalty for either the life of the patent copyright or design right (as the case may be) or for so long as the discovery or invention is manufactured or commercially exploited by you whichever shall be the shorter period.
- 8) We shall be entitled to recognition for any services provided by us and you agree that you will give our procure that we are given credit in all publicity material and initial press handouts and will permit us to ourselves make public or otherwise publish or display our involvement in the Project. You will wherever practicably supply to us for display or advertising purposes an example of the product following your commercial exploitation of the same on completion of the Project
- 9) Termination
- a) Any agreement may be terminated by either party by not less than thirty days notice in writing to the other if there be any breach of the terms of such agreement by either party which has not been remedied within thirty days of a written notice to do so by the other.
 - b) we shall be entitled to terminate any agreement forthwith by notice in writing if you enter into any voluntary or compulsory liquidation make any arrangement with your creditors or if any winding up petition is presented against you or if a Receiver is appointed over the whole or any substantial part of your assets or if you shall cease for any reason to carry on business
 - c) On termination for whatever cause all or any fees and expenses incurred by or due to us shall forthwith become payable and termination by us for whatever cause shall not operate to make us liable to you for any loss damage or consequential loss or damage whatsoever arising out of such termination
 - d) Any termination by us shall be without prejudice to any other right or remedy we may have whether such right or remedy is herein specified by operation of law
 - e) Termination for whatever cause shall not operate to affect any of these terms and conditions which are intended or expressed to operate or to have effect thereafter
- 10) The failure on the part of either of us to exercise or enforce any rights conferred by any agreement or these terms and conditions shall not be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any time or times
- 11) Any notice consent or other communication authorised or required to be given under any agreement or these terms and conditions shall be deemed to be sufficiently given by either of us if left at or forwarded by registered post recorded delivery service addressed to either of us at our last known address or our registered post recorded delivery service addressed to either of us at our last known address or our registered offices every notice consent or other communication shall be deemed to have been received and given at the time when in the ordinary course of transmission it should have been delivered at the address to which it was sent

- 12) a) Any agreement and these terms and conditions shall be governed by and interpreted according to UK law and you agree to submit to the non-exclusive jurisdiction of UK Courts in any dispute or difference
- b) Where any dispute or difference shall arise of whatever nature including the validity construction and performance of any agreement or these terms and conditions we shall have the right (but not the duty) and sole option within twenty eight days of either of us notifying such dispute or difference in writing to the other to elect in writing to you that such dispute or difference shall be determined by an Arbitrator appointed in accordance with the Rule of Arbitration of the and such arbitration shall be held in The London Court of International Arbitration in the UK.