

## CONTRACT TERMS AND CONDITIONS OF BUSINESS

### 1. DEFINITIONS

"The Client": the party identified as the Client on the contract  
"The Company": Integrity Security Group Ltd, Highlands House, Highlands road Solihull, West Midlands, B90 4ND.  
"The Conditions": the Company's Standard Terms and Conditions of Contract as set here in  
"The Contract": the agreement between the Client and the Company for the provision of the services, incorporating the Conditions, Incorporating the Initial Client Requirements Form, and subject to any variations agreed in writing between the parties.  
"Clients Requirements Form": the written statement of the Client Requirements agreed between the parties from time to time in relations to any premises where the Services have to be provided under the Contract.  
"Holiday Period" means statutory bank holidays in England  
"Initial Client Requirements Form": the first Client Requirements Form pertaining where the Services have to be provided under the Contract.  
"The Services": the provision of security and related services to the Client under the Contract.  
"The Premises": the premises or venue where the Company has to provide the Services under the Contract.  
"Review Date": 1st April in each year or such other date as may be agreed in writing between parties, with effect from which date the Company has the right to revise the sums payable by the Client under the Contract.

### 2. APPLICABILITY OF THE CONDITIONS

2.1 Any written quotation or estimate issued by the Company shall constitute an invitation to treat. The Conditions shall apply to all Contracts to the exclusion of all other terms and conditions including any terms, purchase order or similar document issued by the Client. All orders for Services shall be deemed to be an offer by the Client pursuant to these Conditions. A Contract shall be formed upon signature by the Client and the Company overleaf or upon commencement of the provision of the Services by the Company whichever is the earlier.

2.2 No particulars contained in any advertising matter, catalogues or other publications supplied by the Company nor any verbal representation by any employee or agent of the Company nor any previous correspondence between the parties shall form part of the Contract nor shall they be treated as constituting a representation on the part of the Company.

2.3 No alterations or modifications to the Conditions or the Services shall be binding on the Company unless evidence in writing and signed by an authorised officer of the Company.

### 3. THE SERVICES

3.1 The Company will provide the Services on and subject to the Conditions.

3.2 Without prejudice to Conditions 8.5, in the event of any form of industrial action affecting the Premises and/or the Client's employees, the Company shall not be obliged to perform any duties or functions previously performed by the Client's or any other person's employees involved in the industrial action but shall subject as aforesaid continue to perform the Services to the extent possible in the circumstances.

3.3 The Company shall not be obliged to perform the Services or any part of them where such performance would expose personnel provided by the Company for the performance of the Services to a risk of personal injury.

3.4 The Client acknowledges:

3.4.1 That whereas the Company undertakes to use its reasonable endeavours to guard the Premises, the Company does not and cannot guarantee the security of the Premises and/or their contents;

3.4.2 That the essential nature of the Services is that of providing a security service at the Premises to reduce risk of loss, damage or injury;

3.4.3 That whereas the Company may agree to undertake ancillary duties unrelated to security the Company does not hold itself out to be an expert or specialist in such fields;

3.4.4 That as a security contractor it is neither reasonable nor practical for the Company to be expected to have knowledge of the value of the Premises and/or of their contents and/or of any potential consequential losses which might arise from any loss or damage to the Client's property;

3.4.5 That the Company is not an insurance company and that it is likely that the actual value of the Premises and/or of their contents and/or of any potential losses will be or is disproportionate to the amounts which the Company can reasonably charge the Client under a Contract;

3.4.6 That in the light of the foregoing it is fair and reasonable that the Company should seek to limit and restrict its liability to the Client as set out in Condition 8.

3.5 The Client authorises the Company to take all necessary steps to enable the Company to provide the Services including without limitation the arrest and removal of any person from the Premises.

3.6 The Client authorises the Company to sub-contract all or part of the Services at the Company's sole discretion.

3.7 For the duration of the Contract, the Client undertakes that it will engage the Company on an exclusive basis in relation to the Services to be provided at the Premises.

3.8 The Client authorises the emergency services to give instruction for the provision of the Services on behalf of the Client, and agrees to pay any additional charges so incurred.

### 4. THE PREMISES

4.1 The Client hereby warrants:

4.1.1 That the provision of the Services does not contravene any statutory or other regulation, order or bylaw, affecting the Premises or the business or businesses carried out at or from the Premises; and

4.1.2 That the Premises are safe for the Company to carry out the Services.

4.2 The Client hereby agrees and undertakes to liaise closely with the Company's management over matters affecting the security of the Premises and to promptly inform the Company's management of all material changes affecting the security of the Premises and without prejudice to the generality of the foregoing to alert the Company's management to changes affecting the security of the terms of the Certificate or Licence and/or regular Extension, layout, use, security and detection systems, reporting procedures and the Client's own security personnel at the Premises.

4.3 The Client will at all times provide and maintain such facilities at the Premises as the Company may reasonably require to carry out the performance of the Services which facilities shall (without prejudice to the generality of the provision) include adequate heating, lighting, toilet facilities and the use of the telephone in connection with the provision of the Services.

### 5. CHARGES

5.1 Excluding VAT, the payment due by the Client for the Services under the Contract shall be calculated with reference to the personnel and equipment specified in relation to all or any premises to which the Contract relates as set out in the initial or latest "Client Requirements Form" accepted by the Company for such Premises, multiplied by such rate as may have been agreed or be agreed from time to time between parties, falling which at the Company's standard rates, and subject to any revision by the Company in terms of Clause 5.7.

5.1.1 Unless otherwise stated, any prices are exclusive of Value Added Tax (or any other tax or duty levied by any government or authority) on the value of the Services supplied.

5.2 The sum payable in respect of any Services provided over holiday periods shall be double the rates generally in force at the relevant time, unless otherwise agreed in writing.

5.3 If at any time during a Contract there is an increase in the direct labour cost to the Company in providing the Services resulting from an increase or variation in National Insurance contributions or other employment liabilities imposed on the Company by statute or other governmental regulation then the price may be increased pro rata to such increase with effect from the date 28 days after the date on which notice of it is given to the Client by the Company.

5.4 Unless otherwise specified the Company shall be entitled to invoice the Client weekly in arrears and payment shall be made in respect of the Services provided in each period within seven days of the end of such period. Any dispute by the Client regarding invoices must be made in writing to the Company within the said time for payment. Should no dispute be made within this timescale, all charges will stand.

5.5 Payment of all sums due under the contract shall be made by the Client to the Company at the Company's place of business at Highland House, Highlands Road, Solihull, West Midlands, and B90 4ND.

5.6 The Client shall not be entitled to withhold payment of monies due under a Contract by reason of any claim, counter-claim or right of set off it may have or allege against the Company or otherwise.

5.7 The Company shall be entitled to revise the prices payable under the Contract with effect from the date specified in relation to the Prices Review overleaf ("the Review Date"). As soon as reasonably practical prior to the Review Date the Company shall notify the Client of the revised charges that will apply with effect from the Review Date.

### 6. EFFECT OF DEFAULT BY THE CUSTOMER

6.1 In the event that the Client fails to make payment for the Services in accordance with Condition 5, fails to pay any other debt due and payable to the Company or otherwise commits any breach of a Contract, then all sums outstanding in respect of Services shall become payable immediately and the Company may in its absolute discretion forthwith without any notice and without any prejudice to any other rights which it may have:

6.1.1 Suspend all future provision of Services to the Client under the Contract in question or under any other contract and/or terminate a Contract or any other contract(s) without liability upon its part; and/or

6.1.2 Require payment of interest on all amounts due at 12% per annum from the date when payment of the Services in question became due until payment. In addition, the Client shall reimburse all reasonable costs incurred by the Company in obtaining payment from the Client of any amounts payable by the Client to the Company which are overdue.

6.2 The Company shall have the same additional rights referred to in Condition 6.1 in the event that any distress or execution shall be levied upon any of the Client's goods or if the Client offers to make any arrangement with his creditors or commits an act of bankruptcy or if any petition in bankruptcy be presented against the Client or if being a limited company any resolution or petition to wind up the Client (other than for the purpose of amalgamation or reconstruction without insolvency) shall be passed or presented or if bankruptcy proceedings shall be commenced in respect of the Client or if an Administration Order is made or an Administrative Receiver appointed or if a Receiver or Manager shall be appointed over the whole or any part of the Client's business or if the Client seeks or secures a moratorium with some or all of its creditors or otherwise states or demonstrates an inability to pay its debt as they fall due and in such event all sums due in respect of the Services shall become payable immediately.

### 7. COMPANY'S EQUIPMENT

7.1 All equipment supplied by the Company will remain the sole property of the Company.

7.2 Upon termination of the contract for whatever reason the Company shall upon giving reasonable notice to the Client be permitted to remove all or any of its apparatus, equipment and warning signs which may have been placed by it with the Client's consent upon the Premises and the Client hereby grants permission to the Company to enter Premises, with or without workmen or other necessary persons, and to carry out such removal.

7.3 All equipment left by the Company on the premises connected to the ongoing provision of Services will be the responsibility of the Client when no employees of the Company are present. The Client should ensure that adequate insurance is in place to cover these items.

### 8. LIABILITY AND INSURANCE

8.1 Save as is expressly provided by Conditions 8.2.1 to 8.2.7 which are without prejudice to each other and Condition 8.7, the Company shall not be liable for any loss, damages, claims, liabilities, fees (including legal fees) or expenses (whether direct, indirect, consequential or otherwise and whether arising in tort, debt, contract or otherwise) of any kind whatsoever suffered or incurred by the Client arising out of or in connection with the provision of the Services by the Company.

8.2 The liability of the Company to the Client:

8.2.1 For any loss or damage suffered by the Client in respect of any breach of Contract shall be limited to £2,000,000 in respect of any claim or series of claims arising out of the same event.

8.2.2 For any loss or damage suffered by the Client in respect of any claim for wrongful arrest shall be limited to £25,000.

8.2.3 In respect of any loss or damage suffered by the Client as a result of loss or damage to goods or property and death or personal injury to third parties for which the Company is legally liable shall be limited to £2,000,000 in respect of any claim or series of claims arising out of any one event.

8.2.4 In respect of all or any losses whatsoever suffered by the Client by reasons of any acts of fraud, embezzlement or dishonesty on the part of any officer or employee of the Company shall not exceed £50,000 in respect of any one incident or series of related incidents and shall not exceed £250,000 in respect of all or any incidents arising in any period of twelve consecutive months.

8.2.5 In respect of the replacement of locks, keys and/or card-keys arising from the loss or temporary misplacement of keys of the Client while in the custody or control of the Company shall be limited to £20,000 in respect of each incident.

8.2.6 In respect of any claims not involving loss or damage to property for which the Company is legally liable shall be limited to £250,000 in respect of any claim or series of claims arising out of any one event.

8.2.7 For any loss or damage suffered by the Client in respect of any advice, training, design, plan formula or specification shall be limited to £5,000 in respect of any one claim or series of claims arising out of the same event.

8.3 The Client agrees that the Company shall be entitled to treat the Client and its servants or agents as the sole beneficial owner of the Premises and all the contents or things thereon whether buildings, moveable property, goods or chattels.

8.4 Without prejudice to the generality of the Condition 8.1, if any officer, employee or sub-contractor of the Company, acting upon the instruction of the Client or any of its officers, employees, agents of subcontractors, shall take or omit to take any action which is outside the scope of the Services the Company shall have no liability to the Client for any loss, damage or injury it may incur or suffer as a result of such act or omission.

8.5 Without prejudice to the generality of Condition 8.1, the Company shall not be liable for failure to provide the Services or to provide the Services promptly if such failure arises for any reason outside the reasonable control of the Company, including but not limited to acts of God, acts or regulations of any governmental or supranational authority, war, act of terrorism or national emergency, accident, fire, strikes, lock-outs, industrial disputes or epidemics. However, such delay or failure to provide such Services shall not affect the obligations of the Customer to pay for the Services already provided.

8.6 The Client shall not make any claim against any of the Company's officers or employees for a greater amount than it could claim for the Company in accordance with the provisions of the Contract.

8.7 Save as expressly provided in the Conditions, all warranties and conditions relating to the performance of the Services by the Company (whether implied by status or otherwise) as hereby excluded PROVIDED THAT nothing in these Conditions shall restrict or exclude any liability for death or personal injury caused by the negligence of the Company or affect the statutory rights of the Client if dealing as a consumer (as defined by Section 12 of the Unfair Contract Terms Act 1977 or any replacement or variation of such statutory definition).

8.8 Without prejudice to the generality of Condition 8.1, the Client shall not be entitled to terminate a Contract and the Company shall not be liable to the Client for any losses, damages, claims, liabilities, fees or expenses incurred or suffered by the Client or its officers, agents and employees in the event that the Company is unable to provide the Services in full or part, as a result of:

- Staff shortages (due to illness otherwise);
- Failure by any individual, employed or appointed by the Company to attend the Premises in order to provide the Services; or
- Failure to attend the Premises at or within the times agreed PROVIDED THAT:

The Company shall, when it is notified of or becomes aware of any such staff shortage or that any individual has failed to attend any Premises in order to provide the Services at or within any times, use all reasonable endeavours to find alternative personnel to provide such Services.

8.9 In the event of staff previously employed by the Client or previously supplied to the client having their employment transferred to the Company under the Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE), the Client agrees to indemnify the Company for all liabilities, losses, damages, claims, costs, fees (including all legal fees) and expenses of whatever kind suffered or incurred by the Company relating to any such staff for a period of twenty four months from the date of transfer of employment.

### 9. SOLICITATION

In the event that during the term of the Agreement and for a period of twelve months after termination of this Agreement the Client or any person associated with the Client enters into a contract offer services with:

- Any person who was engaged at the Premises in the provision of the Services (a "Person");
- Any other employee of the Company (an "Employee"); or
- Any other person, firm or company (a "Contractor") for the provision by the Contractor of services equivalent to the Services where the Contractor employs in connection with the provision of such services any Person or Employee;

The Company shall have the right to charge and the Client will be liable to pay to the Company a fee equal to 20% of the gross annual salary of the Person or Employee as at the date he/she ceased to work for the Company. For the purposes of calculating the annual salary of the Person or Employee the average weekly gross earnings of such Person or Employee (taking the average weekly gross earnings for the final twelve-week of their employments/engagement with the Company) shall be multiplied by 52.

### 10. INDEMNITY

10.1 The Client agrees to indemnify the Company for all losses, damages, claims, liabilities, costs, fees (including legal fees) and expenses of whatever kind suffered or incurred by the Company:

10.1.1 As a result of breach by the Client of any warranties contained in these Conditions;

10.1.2 As a result of a third party asserting any proprietary or possessory rights or interest in the Premises and any of the contents or things thereon whether buildings, moveable property, goods or chattels or in any other way arising out of the Company's performance or purported or actual failure to perform the Services which exceeds the limit of any liability of the Company to the Client as specified in Condition 8;

10.1.3 As a result of any officer, employee or subcontractor of the Company, acting upon the instructions of the Client, taking any actions outside the scope of the Services or omitting to take any action within the scope of the Services; and

10.1.4 As a result of any negligent or willful act or omission by the Client, its officers, agents or employees;

10.1.5 The Client will be solely responsible for all matters relating to the payment of Personnel redundancy payments and any termination, severance, notice and any other payments relating to the employee's required by applicable law in the event that the supplied employee's job no longer exist.

10.2 Without prejudice to Condition 10.1 the Client undertakes to maintain as its own cost a policy or policies of insurance to cover its liability to the Company under the Contract.

### 11. NOTICES

Any notice required to be given by one party to the other shall be in writing and shall be served by delivering it by hand, or by sending in by first-class mail or by facsimile to such address as either party shall have notified in writing to the other, or in the event that no address shall have been so notified the registered office of the party in the case of a company and the last known address in relation to any other party and any notice so served shall be deemed to have been served, if delivered by hand, at the time of delivery and, if by mail, on the second day (excluding Saturdays, Sundays and bank, public or statutory holidays) after dispatch and if by facsimile on the date of transmission.

### 12. LAW AND JURISDICTION

These Conditions and any Contract to which they shall apply shall be governed in all respects by English Law and the parties hereto submit to the exclusive jurisdiction of the English Courts.

### 13. HEADINGS

The headings in the Conditions are for convenience only and shall not affect the construction thereof.

### 14. ASSIGNMENT

The Client shall not be entitled to assign, sub-contract or otherwise dispose of its right and obligations under the Contract without the prior written consent of the Company.

### 15. SEVERANCE

If any Condition (or any part of any Condition) is held by any court or competent authority to be void or unenforceable in whole or in any part these Conditions will continue to be valid as to all other provisions and the remainder of the affected provision.

### 16. TERMINATION

16.1 Unless otherwise expressly agreed between the parties in writing the Company shall have a right to terminate a Contract upon giving seven days notice in writing to the Client and without any liability to the Client.

16.2 Unless otherwise agreed in writing the Contract shall subsist for a period of thirty six months from the Commencement Date and continue thereafter unless or until terminated by the Client giving no less than ninety days' notice to expire not earlier than the end of the Initial Period.