

DEFINITIONS

- 1.1 In this Agreement and the recitals and the schedules hereto the following expressions have the following meanings: -
- 'AGREEMENT' means this document including its recitals and any schedules and appendices for the provision of the Services.
- 'CONSIGNEE' means the person, firm or company who delivers the Parcel to the CONNECT store for return to the Client or who collects a Parcel from the CONNECT store from time to time.
- 'CONNECT' Trading name of CONNECT
- 'DANGEROUS GOODS' means those items defined as dangerous or hazardous by the regulatory bodies and by legislation, regulations and guidelines governing transport by road, rail, sea or air.
- DELIVERY INSTRUCTION Instructions from Client to CONNECT giving details of the Services to be provided by CONNECT at the Locations to which Goods are to be delivered and/or collected
- 'FORCE MAJEURE' means the circumstances as detailed in Clause 13.
- 'LOCATIONS' means the CONNECT stores where the Services are to be provided from time to time.
- 'PARCELS' means a range of products agreed between the Parties from time to time in respect of which CONNECT is to provide the Services.
- 'RELEVANT DOCUMENTATION' means the documentation relating to the handover by one Party to the other of Parcels and in the case of documentation relating to handover to CONNECT from Client shall include the Delivery Instructions.
- 'SERVICES' means services as detailed in Schedule 1.
- 'WORKING DAY' means each day when the CONNECT stores are open for business [excluding Saturdays, Sundays and Bank Holidays].
- 'WRITING' includes cable, facsimile transmission, other electronic media and comparable means of communication.
- 1.2 Words and phrases defined in the Companies Acts 2006 shall have the same meaning in this Agreement and accordingly the expressions "holding company", "subsidiary" and "wholly-owned subsidiary" have the meanings ascribed thereto by section 1159 of the Companies Act 2006.
- 1.3 In this Agreement, any matter, fact or anything done or omitted to be done by any Party with the other Party's prior written consent shall be subject to the proviso that any such consent(s) to be given by the other Party shall not be unreasonably withheld or delayed.
- 2 INTERPRETATION**
- 2.1 Headings and the table of contents are for convenience and are to be ignored in construing this Agreement.
- 2.2 Word importing the singular include the plural and vice versa.
- 2.3 Any document expressed to be "in the agreed form" means a document in a form approved by and signed for identification by or on behalf of the Parties.
- 2.4 References to laws and regulations include amendments and re-enactments.
- 2.5 Reference in this Agreement to it or other document shall be construed as a reference to this agreement or the other document, as from time to time novated, supplemented, amended or varied.
- 2.6 The recitals and schedules to this Agreement form part of it.
- 2.7 In the case of any inconsistency between the clauses of this Agreement and the schedules, the schedules shall prevail.
- 3 TERMS OF AGREEMENT**
- 3.1 This Agreement shall take effect on the Commencement Date and (unless otherwise terminated in accordance with the terms of Clauses 8 and 13) shall continue thereafter unless and until notice is given in accordance with Clause 3.2.
- 3.2 Either Party may terminate this Agreement by not less than months (3) months' notice in Writing.
- 4 PROVISION OF THE SERVICES**
- 4.1 During the continuance of this Agreement and commencing on the Commencement Date CONNECT shall use all reasonable endeavours to provide Client with the Services during each Working Day and to that end shall: -
- 4.1.1 Use all reasonable endeavours to comply with the terms of Schedule 1 and do all such other acts as may be conducive to the performance of the Services.
- 4.1.2 Provide suitably qualified, competent, trained CONNECT store staff for due performance of its obligations under this Agreement.
- 4.1.3 At all times maintain all licences as required by law for the provision of the Services.
- 4.1.4 Provide Client with such information as may reasonably be requested from time to time.
- 4.1.5 Comply with all relevant legislation, statutes, regulations and other enactments having the force of law from time to time during the term of this Agreement in relation to the provision of the Services.
- 4.1.6 Conduct its business in accordance with the highest business standards and will not perform any act which will or may reflect adversely on the business, integrity or goodwill of Client.
- 5 TITLE**
- 5.1 During the periods of the Services title in the Parcels shall at all times remain with Client.
- 6 INSURANCE**
- 6.1 CONNECT shall be responsible for taking out and maintaining during the continuance of this Agreement:-
- 6.1.1 Public Liability insurance;
- 6.1.2 Employers Liability insurance;
- 6.1.3 Any further insurances necessary to cover any liability of CONNECT arising pursuant to the terms of this Agreement.
- 6.2 CONNECT shall provide to Client upon written request details and evidence of payment of the premiums in respect thereto of insurance policies in respect of its liabilities under Clause 6.1.
- 6.3 Any claims or potential claims by Client against CONNECT shall as soon as reasonably practicable in accordance with the time limits detailed in the Schedule be notified to CONNECT at the address detailed in this Agreement.
- 7 CHARGES AND METHOD OF PAYMENT**
- 7.1 In consideration of CONNECT providing the Services, Client shall make payments to CONNECT in accordance with the provisions of Schedule 1.
- 7.2 All sums due under this Agreement are exclusive of any Value Added Tax which shall be payable in addition on the rendering by CONNECT of any appropriate Value Added Tax invoice.
- 7.3 The price for the Services will vary if the nature of the traffic flow varies in such a way as to affect the basis upon which the rate has been fixed or there is an unforeseen escalation in operating costs or there is a rise in the cost of fuel.
- 7.4 A claim or counterclaim shall not be made the reason for deferring or withholding payment of monies payable or liabilities incurred to CONNECT.
- 7.5 Notwithstanding any other provision of this Agreement CONNECT shall have a general lien against the owner of the Parcels for any monies whatever due from the Client or such other owner to CONNECT. If any such lien is not satisfied within a reasonable time CONNECT may at its absolute discretion sell the Parcels or part of them as agent for the owner and apply the proceeds towards the monies due and the expenses of the retention, insurance and sale of the Parcels and shall upon accounting to the Client for any balance remaining be discharged from all liability whatever in respect of the Parcels. Notwithstanding the foregoing CONNECT will not exercise its right of sale if the lien is not satisfied without giving to the Client 14 days prior notice in Writing of its intention to do so provided that no such notice shall be required if the Client shall go into liquidation or enter into any arrangement with its creditors or have a receiver appointed over any of its assets.
- 7.6 On the happening of any events detailed in clause 8 whether or not CONNECT exercises its option to terminate, all payments due to CONNECT shall become immediately due and payable notwithstanding any other provision of this Agreement.
- 7.7 Interest will be charged on any sum not paid within the agreed credit terms in accordance with the provisions of the Late Payment of Commercial Debts (Interest) Act 1998 as amended from time to time.
- 8 TERMINATION**
- 8.1 CONNECT may terminate (without prejudice to any accrued rights and remedies under this Agreement that it may have) this Agreement immediately by giving written notice to the Client on the occurrence of any of the following events:
- 8.1.1 if the Client commits any material breach of any of its obligations under this Agreement and in the case of any breach which is capable of remedy fails to remedy such breach within seven (7) days of the date of service of a written notice specifying the breach (or such longer period as the notice may specify); or
- 8.1.2 if the Client enters into liquidation whether compulsory or voluntary otherwise than for the purpose of solvent amalgamation or reconstruction

or compound with its creditors or has a receiver (including an administrative administrator, administrator, trustee or similar officer) appointed over all or part of its assets or its undertaking or part thereof or if it shall make any composition or arrangement with its creditors or if any action application, petition or proceeding shall be *initiated relating to any of the above matters or to any inability to pay* debts or to credit worthiness or if it is unable to pay its debts within the meaning of the Insolvency Act 1986; or

8.1.3 if the Client sells or disposes of the whole or a material part of its business or assets; or

8.1.4 if there is a change of control of the Client; or

8.1.5 if the Client ceases or threatens to cease to carry on business; or

8.1.6 if CONNECT reasonably apprehends that any of the events mentioned above is about to occur in relation to the Client and notifies the Client accordingly.

8.2 The Client must notify CONNECT in Writing within seven (7) days of a disposal of the whole or a material part of its business or assets or ceases or threatens to cease carrying on business or a change of control giving details of the same and upon request by CONNECT any further information as CONNECT may reasonable request.

9. CONSEQUENCE OF TERMINATION

9.1 In this Clause 9 "Date of Termination" means the date of termination of this Agreement in accordance with Clauses 3.2, 8, 13 or otherwise (as the case may be).

9.2 On the happening of any events detailed at clause 8 whether or not CONNECT exercises its option to terminate, all payments due to CONNECT shall become immediately due and payable notwithstanding any other provision of this Agreement.

9.3 On the Date of Termination of the Agreement CONNECT shall at the request of Client promptly return to Client or otherwise dispose as Client may instruct all materials, documents and papers whatsoever sent to CONNECT and relating to the business of Client (other than correspondence between Client and CONNECT) which CONNECT may have in its possession or under its control, except for such information as CONNECT is legally required to hold.

9.4 On such termination CONNECT shall forthwith deliver to Client or otherwise dispose as Client may direct the Parcels which are the property of Client which CONNECT may have in its possession or under its control, the cost of carriage, insurance, duty and charges incurred in any such return delivery up or other disposal to be borne by Client.

9.5 Despite the expiration or termination of the Agreement, it shall continue to bind the Parties to such extent and for so long as may be necessary to give effect to the rights and obligations embodied in it.

9.6 Pursuant to clause 9 of the conditions of carriage all charges shall be paid by the Client by Direct Debit. In the event the CONNECT does not receive payment by Direct Debit on the due date for payment for any reason whatsoever arising all charges shall immediately become due and payable and CONNECT will hold all Consignments and suspend all services until payment of all charges is made in full. Services thereafter will only be provided by the CONNECT following an upfront payment by the Client to cover any services to be provided by the CONNECT.

9.7 Client acknowledges that given the nature of the Services the terms of this Clause 9 are reasonable and appropriate.

10. CLIENT OBLIGATIONS

10.1 During the term of this Agreement Client shall:

10.1.1 ensure that the assets of CONNECT stores are not damaged by or from any act or omission by Client, and its employees, sub-contractors, agents or representatives or the Consignee.

10.1.2 ensure that all Parcels delivered to CONNECT are packed, labelled and marked in such manner as may be agreed between Client and CONNECT (such agreement not to be unreasonable withheld or delayed).

10.1.3 promptly provide CONNECT with such information as is necessary for CONNECT to perform its obligation under this Agreement, including (but not limited to) information concerning the nature of the Parcels, the appropriate manner and method of storage and transportation of the Parcels and relevant health and safety information relating to the same.

10.1.4 not require CONNECT, its employees or sub-contractors to perform the Services or any part of the Services in contravention of any applicable statutory, regulatory or other legal requirement.

10.1.5 comply with and ensure that all its employees, agents, representatives, contractors and Consignees comply with all health and safety and site regulations when at any CONNECT store.

10.2 The Client shall not place Dangerous Goods with CONNECT for carriage unless at or before each time of placing Dangerous Goods with CONNECT the Client has supplied a declaration in Writing giving adequate and sufficient information as required by CONNECT as to the nature of the Dangerous Goods, the hazards presented by them and the precautions to be taken in respect of them and CONNECT has agreed in Writing to take the Dangerous Goods after being supplied with such a declaration.

10.3 In the event CONNECT agree in Writing to take the Dangerous Goods, the Client shall ensure that Dangerous Goods are properly and sufficiently packed and labelled in accordance with any statutory regulations, any applicable code of practice and with manufacturers' and supplier' recommendations.

10.4 Subject to the foregoing Clauses 10.2 and 10.3, under no circumstances will the Client place articles or substances with CONNECT which are Dangerous

Goods. Any contravention of this Clause 10 may, at the Clients sole risk and expense, result in the Client being requested to retrieve (if necessary) the whole or part of any Parcels which is likely to put the health and safety of persons at risk. CONNECT may, at its sole discretion, dispose or destroy such Parcels via the use of licensed waste contractor (also at the expense of the Client) if it is deemed expedient to do so for reasons of health or safety.

11. SUB-CONTRACTORS

CONNECT may engage sub-contractors to perform all or any part of the Services for Client provided that CONNECT shall be fully liable for any act or omission of such sub-contractors and shall indemnify Client for any liability whatsoever arising which results in any loss, expense, damage or claims for Client.

12. LIABILITY

12.1 Subject to the terms of this Agreement CONNECT shall be liable for any loss or damage to Parcels occurring during transit which is proved to CONNECT's reasonable satisfaction to be due to an act or default on the part of CONNECT unless the same has arisen from and CONNECT has used reasonable care to minimise the effect of:-

12.1.1 an event of Force Majeure; or

12.1.2 confiscation requisition or destruction of or damage to property by or under the order of any government or public or local authority; or

12.1.3 seizure, forfeiture, detention or restriction of any kind under legal process; or

12.1.4 error, act, omission, mis-statement or misrepresentation by the Client or other owner of the Parcels or by employees or agents of either of them; or

12.1.5 inherent liability to wastage in bulk or weight, latent defect, inherent defect, vice or natural deterioration of the Parcels; or

12.1.6 insufficient or improper packaging; or

12.1.7 insufficient or improper labelling or addressing.

12.2 Notwithstanding any other provision contained in this Agreement CONNECT shall not be liable in any circumstances for loss or mis-delivery or late delivery of or damage to livestock, bullion, money, securities, stamps, precious metals, precious stones, jewellery, antiques, works of art, artwork, deeds, tender documents or documents of whatever kind unless CONNECT has specifically agreed in Writing to carry such items.

12.3 CONNECT reserves the right by written notice given at any time to exclude liability for damage to Parcels of a fragile, cast or brittle nature, scientific instruments, electrical equipment, glass or similar goods, which will then be carried at the Client's own risk

12.4 CONNECT will not knowingly accept deliveries of precious stones and perishable goods

12.5 CONNECT Returns Service" - The liability of CONNECT (which shall in any event be subject to this Agreement) shall be limited to the maximum liability outlined in the table in the scheduled agreement, per Parcel or the cost price of the Parcel whichever is the lower, unless otherwise agreed in Writing between CONNECT and the Client.

12.6 CONNECT will only accept risk for individual Parcels from the point they are received and scanned into the relevant CONNECT store. Bulk loss of Parcels between the Client's site(s) and CONNECT site(s) will be covered by CONNECT insurance up to a maximum of £25.00 per Parcel. Bulk loss is loss of 100 or more Parcels at the same time. Liability for the total loss of all Parcels in any one instance of bulk loss shall be accepted by CONNECT up to a limit of the actual cost value of the contents of the Parcel to the Client or £25.00 per Parcel whichever is the lesser amount up to a maximum of £15,000 per trailer. Nothing in this clause shall require CONNECT to indemnify the Client against or make good to the Client any loss of goodwill, profit, lost business, revenue or any other purely economic or indirect loss.

12.7 CONNECT shall not be liable for loss or damage to any part of any parcel (whether comprising one or more packages in the parcel), or for the loss or non-delivery of the whole of any parcel or any parcel, or for damage, delay or detention or any part thereof however caused, if the parcel is not correctly labelled with a compliant and valid CONNECT label.

12.8 CONNECT shall not in any circumstances incur any liability in respect of the late delivery of Parcels where the Client has not delivered the Parcels to CONNECT in accordance with the terms of this Agreement.

12.9 CONNECT shall not in any circumstances be liable in respect of Parcels where there has been fraud on the part of the Client or the owner of the Parcels or the employee or agents of either in respect of those Parcels.

12.10 The Client shall be liable for the cost of unreasonable detention of any vehicle, trailer, container, pallet, crate or sheet but the rights of CONNECT against any other person in respect thereof shall remain unaffected.

12.11 CONNECT shall not be responsible to the Client whether in contract, tort (including negligence) or otherwise for incidental, special, indirect, or consequential loss or damage, any loss of profit (direct or indirect), loss of sales, loss of goodwill or reputation, loss of business, third party claims, pure economic loss arising out of or in connection with the performance or non-performance of its obligations under this Agreement including such damages as may be reasonably foreseeable at the date hereof. Nothing in this Agreement shall exclude or restrict CONNECT liability for death or personal injury caused by its negligence.

12.12 The Client shall indemnify CONNECT against:-

12.12.1 all consequences suffered by CONNECT (including but not limited to claims, demands, proceedings, fines, penalties, damages, costs, expenses and loss of or damage to the carrying vehicle and to other consignments carried) due to

	any error, omission, mis-statement or misrepresentation by the Client or other owner of the Parcels or by any employee or agent of either of them, insufficient or improper packaging, labelling or addressing of the Parcels or fraud as detailed above;		instructions and to enable each Party to fulfil its obligations under the Agreement and to benefit from its terms.
12.12.2	all claims and demands whatever by whoever made in excess of the liability of CONNECT under this Agreement;	20.	<u>CONFIDENTIALITY</u>
12.12.3	all claims made upon CONNECT by H.M. Revenue and Customs in respect of dutiable Parcels consigned in bond whether or not transit has ended or been suspended;	20.1	Each Party agree to treat as secret and confidential and not at any time nor for any reason to disclose or permit to be disclosed to any person or otherwise make use of or permit to be made use of any information supplied by or obtained from the other relating to the other's goods, services, charges, customers, marketing, or promotions, business affairs or finances or any such information relating to a subsidiary supplier, customer or client of the other save to the extent that such information is:-
12.12.4	all losses suffered by and claims made against CONNECT in consequence of death, personal injury, loss of or damage to property caused by or arising out of the carriage by CONNECT of Dangerous Goods whether or not declared by the Client as such.	20.1.1	already in its possession other than as a result of a breach of this Clause;
12.13	CONNECT shall be entitled to require proof of the value of the Parcels or of any part thereof lost or damaged and in the event of Parcels being damaged CONNECT shall be entitled to require proof of the cost of repair and of the cost price of replacement and the liability of CONNECT (subject to this Agreement) shall be limited to the lower cost and in the event of damaged Parcels CONNECT reserves the right to recover the damaged Parcels for inspection prior to instigating a claim enquiry. CONNECT shall only be liable for an amount claimed in respect of Value Added Tax where the Client is not registered for Value Added Tax purposes.	20.1.2	is or subsequently becomes in the public domain other than as a result of a breach of this Clause;
13.	<u>FORCE MAJEURE</u>	20.1.3	required by law;
13.1	If performance of this Agreement or of any obligation by either Party is prevented through any cause arising from or due to circumstances beyond its reasonable control, it shall upon giving notice to the other indicating the cause and likely duration of non-performance	20.1.4	required by a Government body or the Stock Exchange or the Panel on Take-overs and Mergers whether or not the requirement of information has the force of law;
	a. be excused from such performance to such extent and for such period as may be reasonably necessary in the circumstances; and	20.1.5	disclosed to the professional advisers, auditors and bankers of each Party;
	b. have no responsibility for the financial or other consequences of non-performance.	20.1.6	disclosed after written approval has been given by the other Party;
13.2	The Parties shall consult together as soon as practicable after receipt of the aforementioned notice with the object of reaching agreement on any means by which the cause or consequence of non-performance may be overcome or alleviated.	20.1.7	used for the performance of the obligations under this Agreement.
13.3	In the event non-performance continues for a period of one (1) calendar month, either Party may forthwith terminate this Agreement provided any payments due under the terms of this Agreement prior to the giving of notice pursuant to clause 13.1 have been made.	20.2	Each Party undertakes to take all such steps as shall from time to time be reasonable to ensure compliance with the provisions of this Clause by its employees, agents and any sub-contractors.
14	<u>IT</u>	20.3	The restrictions in this Clause shall continue to apply after the termination of this Agreement for a period of five (5) years.
14.1	CONNECT may make IT systems available for the Client to access and use as part of the services offered by the CONNECT. In consideration for the access to and use of the IT systems the Client shall indemnify CONNECT against any loss or damage that may be suffered by the CONNECT or any third party as a consequence of any access, use or misuse of IT systems by the Client, its employees, agents or sub-contractors howsoever arising.	21	<u>ARBITRATION</u>
15	<u>ASSIGNMENT</u>		Any dispute arising under or in connection with this Agreement or as to the rights and liabilities of the Parties hereto, or as to construction or interpretation hereof shall be settled by an amicable effort of both Parties senior management. In the event the attempt at settlement has failed, the dispute shall finally and exclusively be referred to arbitration by a single arbitrator, appointed by agreement between the Parties or (in default) nominated on the application of either Party by the President of the Law Society, in accordance with the provisions of the Arbitration Act 1996 or any statutory modification or re-enactment thereof.
15.1	Neither Party shall without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed) assign, transfer, charge or deal in any other manner with this Agreement or any of its rights under it, or purport to do any of the same, nor sub-contract any or all of its obligations under this Agreement.	22.	<u>INVALIDITY AND SEVERABILITY</u>
16.	<u>WAIVER</u>	22.1	If any provision of this Agreement is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this Agreement and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect.
	Any amendment, variation or addendum to this Agreement shall only be effective in Writing and executed by or on behalf of the Parties. No waiver by either Party of any provision of this Agreement shall be binding unless expressly made or confirmed in Writing. Any such waiver shall relate only to such matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach, nor shall any delay or omission on the part of either Party to exercise or avail itself of any right, power or privilege it has or may have hereunder operate as a waiver of any breach or default by the other Party.	22.2	The Parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision, which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.
17.	<u>CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999</u>	23.	<u>ENTIRE AGREEMENT</u>
	A person who is not a Party to this Agreement shall have no right to enforce any term of this Agreement under the Contracts (Rights of Third Parties) Act 1999.		This Agreement sets out the entire agreement of the Parties and supersedes all prior agreements and understandings relating to its subject matter. No amendment, modification or extension of this Agreement or waiver of any of the terms and conditions hereof shall be binding upon either Party unless it is evidenced in Writing by both Parties.
18.	<u>ANNOUNCEMENTS</u>	24.	<u>GOVERNING LAW</u>
	The Parties to this Agreement agree that (save as necessitated by applicable statutory, regulatory or Stock Exchange requirement) neither of them will make any announcement to the public or any section thereof in connection with the existence of or operation of this Agreement without first obtaining the consent of the other Party (such consent not to be unreasonable withheld or delayed) as to the text and method of such an announcement.		This Agreement shall be construed in accordance with and governed by English Law and shall be subject to the non-exclusive jurisdiction of the English Courts.
19.	<u>MUTUAL CO-OPERATION</u>		CONNECT will not carry the following items:
	During the continuation of the Agreement the Parties will fully and in good faith co-operate with each other in order to provide as soon as possible all information reasonably required by the other and to take all reasonable action as is necessary for the efficient transmission of information and		Livestock
			Bullion
			Money
			Vouchers
			Securities
			Stamps
			Precious metals
			Precious stones
			Jewellery
			Antiques
			Works of Art
			Artwork
			Deeds
			Tender Documents
			Documents of every kind

Firearms
Explosives
Fireworks
Compressed gases
Flammable liquids
Flammable solids - oxidising substances and Organic peroxides
Toxic (poisonous) Infectious substances and Medical substances
Radioactive material
Corrosives
Asbestos, Dry Ice or Magnetised material
Perishable items i.e. fresh fruit, fish, meat - if they cannot withstand a journey of up 48 hours and must be sent out on a 24 hour service
Arms and ammunitions
Prescribed drugs
Flammable Paint