

CLIPPANET TERMS AND CONDITIONS FOR HIRE CONTRACTS

1. DEFINITION

In these Conditions:-

“the Company” means ClippaNet Limited

“the Hirer” means the person or company with whom the Company contracts.

“Goods” means Goods or Machinery or Accessories supplied or to be supplied on hire by the Company pursuant to the Contract (as hereafter defined) including Goods supplied in connection with the rendering of Services.

“these Conditions” means the terms and conditions set out herein, any terms or conditions expressly stated on or expressly incorporated by reference into the Company’s order acknowledgement and the Customer hereby acknowledges that it has not relied on any statement, warranty or representation as to the use, function, or state of Services or Goods including but not limited to promotional or trade literature, drawings, published performance figures and design suggestions emanating from the Company, other than as specifically contained in a written quotation or order acknowledgement.

2. CONTRACTS

- (a) Any Contract howsoever made, between the Company and the Customer ("the Contract") shall incorporate and be subject to these Conditions and receipt of Goods or Services by the Customer shall be deemed to be conclusive proof that the Customer has accepted these Conditions in the absence of any express or other implied acceptance of these Conditions by the Customer.
- (c) The Customer accepts that these Conditions shall govern relations between the Company and the Customer to the exclusion of any other terms and conditions warranties and representations whether written or oral, express or implied even if contained in any of the Customer's documents which purport to provide that the Customer's own terms and conditions shall prevail.

3. HIRE PERIOD

Unless otherwise expressly agreed in writing, the initial minimum period for hire of the Goods is 13 weeks. Thereafter, the Hirer can extend the hire by further periods of 13 weeks without further notification to the Company. Termination of the hire requires the Hirer to notify the Company in writing that the Goods are no longer required.

4. PRICES

- (a) Unless otherwise stated in a written quotation or order acknowledgement:-
 - (i) The price of the Goods and Services is exclusive of Value Added Tax, which will be charged at the applicable rate.
 - (ii) The price of the Goods does not include the cost of carriage.

5. PAYMENT

- (a) The Company will invoice the Hirer for each 13-week or otherwise agreed period of hire in advance. The Hirer will pay the Company in full within 30 days following the date on which the invoice is raised. In the event that the payment is not received by the due date the Company reserves the right to terminate the hire immediately and to recover the Goods from the Hirer's premises.

- (b) In the event that the Hirer notifies the Company of termination of the hire in writing at some time after the initial period of hire has elapsed the Company will credit the account of the Hirer with the amount of any payment made including the VAT element which relates to any remaining complete months for which the Hirer has made payment to the Company in advance.
- (c) Time for payment shall be of the essence and any failure by the Customer to make payment to the Company on the due date shall entitle the Company at its option and without prejudice to any other of its rights to suspend delivery of any outstanding Goods or the completion of outstanding Services pending payment and/or treat the Contract as repudiated.
- (d) Unless otherwise agreed in writing the Customer shall not be entitled to set off against any monies due to the Company under the Contract any amount claimed by or due to the Customer from the Company whether pursuant to the Contract or on any other account whatsoever.

6. DELIVERY AND RISK

- (a) Though the Company will use all reasonable endeavours to comply with any date or dates for despatch or delivery of the Goods and for rendering or completion of Services (as the case may be) as stated in the Contract or communicated to the Customer, unless the Company otherwise expressly provides in writing, such date or dates shall constitute only statements of expectation and shall not be binding and accordingly any failure by the Company to despatch the Goods or render or complete Services by such date or dates shall not be a breach or repudiation of the Contract and the Company shall not be liable for any loss or damage of whatsoever kind suffered by the Customer as a result of such failure.
- (b) The Hirer is required to insure the Goods to the full value of their replacement at his own expense for the period of the hire against loss or accidental damage howsoever caused.
- (c) Where damage to or loss of the Goods occurs the Company will repair or replace any Goods so damaged or lost and the cost of such repair or replacement will be invoiced to the Customer.
- (d) The risk in respect of all Goods shall pass to the Customer at the time of delivery.

7. TITLE

Notwithstanding that the risk in the Goods passes to the Customer in accordance with Clause 6(d) sole and absolute ownership in the Goods shall remain vested in the Company.

8. WARRANTY

- (a) Where any Goods or Services (or any part thereof) are shown to the satisfaction of the Company, to be defective by reason of failure to correspond with the Company's specification, faulty materials or workmanship or design or by reason of normal fair wear and tear during the period of the hire the Company shall at its sole option either deliver replacement Goods and recover the faulty Goods or provide replacement parts for the Customer to fit or arrange for a technician to visit the Customer's site to repair the Goods for the Customer free of charge PROVIDED THAT
 - (i) the price for hire of the Goods and Services was paid by the due date and no sums for payment are overdue

- (ii) the liability of the Company under Clause 8(a) shall be accepted by the Customer in substitution for and to the exclusion of any other claims for loss or damage of whatever nature and whether direct or indirect or consequential which the Customer has or may have (including but not limited to loss of profit or liability to third parties).
 - (iii) the parts required by reason of normal fair wear and tear exclude parts which are considered to be consumable as defined and limited for free of charge replacement according to the Operators Manual for the machine.
 - (iv) the reason for the repair visit and/or supply of replacement parts is not subsequently found to have arisen from neglect, misuse of the machine or failure to adhere to the operating instructions contained in the manual.
- (b) The Company's liability under this Clause shall be in lieu of any warranty or condition implied by law as to the quality or fitness of any particular purpose of Services and Goods and, save as provided in this Clause, the Company shall not be under any liability whether in contract, tort or otherwise, in respect of defects or deficiencies in Services and Goods or for any injury damage or loss resulting from such defects or deficiencies or from any work done in connection therewith.
- (c) These Conditions set out the Company's entire liability in respect of Services and Goods and the Company's liability under these Conditions shall be in lieu and to the exclusion of all other warranties, conditions, terms and liabilities express or statutory or otherwise in respect of the quality or fitness for any particular purpose of Services and Goods or otherwise howsoever given except any implied by law or Statute and which by law or Statute cannot be excluded.
- (d) Save as provided in these Conditions and except as aforesaid the Company shall not be under any liability whether in contract, tort or otherwise in respect of defects or deficiencies in Services and Goods or failure to correspond with any specification or sample or for any injury, damage or loss resulting from such defects or deficiencies or from any work done in connection therewith (including but not limited to loss of profit, liability to third parties and any loss or damage to the Customer's land or property).

9. CUSTOMER'S DEFAULT OR INSOLVENCY

- (a) This clause applies if:-
- (i) the Customer commits or threatens to commit a breach of any of the provisions, contained in these Conditions or any other of its other obligations to the Company; or
 - (ii) any payment due by the Customer to the Company is not paid on its due date for payment; or
 - (iii) the Customer makes or offers to make any voluntary arrangements with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or any like event occurs under foreign law; or

- (iv) an encumbrancer take possession, or a receiver is appointed, of any of the property or assets of the Customer or any like event occurs under foreign law; or
 - (v) the Customer ceases, or threatens to cease, to carry on business or be unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 (or any statutory modification or re-enactment thereof) or any like event occurs under foreign law; or
 - (vi) the Company reasonably apprehends that any of the events mentioned above is about to occur in relation to the Customer and notifies the Customer accordingly.
- (b) If this Clause applies then, without prejudice to any right or remedy available to the Company, the Company shall be entitled to terminate the Contract or at its option to suspend further deliveries of Goods or the rendering or Completion of Services under this or any other Contract with the Customer without any liability to the Customer, collect the Goods from the Customer's premises and invoice the Customer for all Services rendered and materials used in accordance with Clause 6 (c) and require immediate payment of all amounts then invoiced by the Company to the Customer (notwithstanding any previously negotiated credit terms to the contrary).

10. FORCE MAJEURE

The Company shall not be in any way liable for any loss damage or delay occurring by reason of or in consequence of any Force Majeure or other matter or event beyond the Company's control including but not limited to labour trouble (whether or not involving employees of the Company) shortage of fuel raw material or other supplies civil commotion governmental restrictions or regulations fire or natural catastrophes.

In such circumstances performance of the Contract shall by written notice be suspended and if such suspension continues for longer than 90 days either party shall have the option to terminate the Contract without liability for any loss caused to the other at such termination. The Customer shall pay at the Contract rate for all Goods delivered and Services rendered up to and including the date of such suspension or termination.

11. WAIVER

No omission or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of such right, power or privilege preclude any other or further exercise thereof or of any other right, power or privilege. The rights and remedies herein provided are cumulative with and not exclusive of any rights or remedies provided by law.

12. SEVERANCE

If at any time any one or more of the provisions of these Conditions becomes invalid illegal or unenforceable in any respect under any law the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

13. GOVERNING LAW

The Contract under these Conditions shall be governed by and construed in accordance with the laws of England and the Customer hereby irrevocably submits to the jurisdiction of the English Courts.

14. NOTICES

Any written notice under these Conditions given by one party to the other shall be sufficiently made or given by delivery by hand or by sending the same by ordinary pre-paid first class letter post to the last known registered office or principal place of business and if so hand delivered shall be deemed to be given upon delivery and if so sent shall be deemed to be given two days after the date of posting. **End of terms and conditions**

June 2009