

STANDARD TERMS OF BUSINESS

Reference: Logicstore ToB 03/07

1 Definitions and Interpretation

1.1 The definitions and rules of interpretation in this clause apply in these terms and conditions ('Conditions') unless the context otherwise requires:

'Charges' means the fees payable by the Client to the Company for the provision of the Services as set out in the Price List (as amended from time to time in accordance with Condition 5.1);

'Client' means the organisation named in the Engagement Letter as receiving the Services;

'Company' means Logic Store Limited (trading as Logicstore) which is incorporated in England with registered number 5981574 and whose registered office is 27 Kingswood, Marchwood, Southampton, SO40 4YQ;

'Containers' means the boxes and long term archiving bags that are supplied by the Company to the Client in which the Client's Files and Documents shall be stored;

'Contract' means the Client's acceptance of the terms of the Engagement Letter under Condition 2.2;

'Commencement Date' means the date contained in the Engagement Letter;

'File' includes paper or any other medium which is capable of being scanned consisting of a maximum of 500 sheets of A4 paper;

'Documents' excludes Files but includes CD's, magnetic tape, film, photographs and such other material as the Company may at its sole discretion accept for the time being;

'Engagement Letter' means the letter addressed to the Client which has been signed by both the Company and the Client which inter alia confirms acceptance of these Conditions;

'Premises' means Graphic House, Southwell Road, London SE5 9PQ or such other premises as the Company may decide with the prior written agreement of the Client.

'Price List' means the Company's Price List published from time to time and available on request from the Company and at the Company's website www.logicstoreuk.com. The Price List applicable at the Commencement Date is attached.

'Services' means all or any of the scanning, archiving and retrieval services (both electronic and manual including on-line facilities) and other services as requested by the Client in accordance with the Engagement Letter.

'Quarter Day' means any of 31 March, 30 June, 30 September and 31 December in any calendar year.

1.2 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2 Incorporation of Conditions

2.1 These Conditions shall apply to and be incorporated into the Contract and prevail over any inconsistent terms or conditions contained, or referred to, in the Client's purchase order, confirmation of order, acceptance of the Engagement Letter or a quotation or specification, or implied by law, trade custom, practice or course of dealing.

2.2 The Client's acceptance of the Engagement Letter constitutes an offer by the Client to purchase the Services specified or referred to in it on these Conditions and subject to the Price List. No offer placed by the Client shall be accepted by the Company other than by a written acknowledgement issued and executed by the Company or (if earlier) by the Company starting to provide the Services, when a contract for the supply and purchase of those Services on these Conditions will be established.

3 Commencement and Duration

The Services supplied under the Contract shall be provided by the Company to the Client from the Commencement Date and shall continue to be supplied for an initial period of 12 months and thereafter shall continue to be supplied unless the Contract is terminated by one of the parties giving to the other not less than 3 months notice (such notice to expire only on a Quarter Day), unless the Contract is terminated in accordance with Condition 6.

4 Supply of the Services

4. Subject to compliance by the Client with conditions 4.5, 4.6 and 4.7 below, the Company shall use reasonable endeavours to provide the Services in accordance with the Engagement Letter and this Contract. The Company shall provide to the Client Containers in respect of which the Client agrees to pack the Files and Documents which will be the subject of the Services. The Client will not use any other form of containers or storage boxes in respect of the Files and Documents which are the subject of the Services other than the Containers.
- 4.2 The Company may, within seven days of receipt of Files and Documents from the Client, return the same or any part thereof to the Client if the Company at its discretion shall decide that the same are unsuitable for archiving by it and the Company shall be under no further liability to the Client in respect of Files and Documents so returned.
- 4.3 On delivery by the Client to the Company on or after the Commencement Date of any Files or Documents for archiving pursuant to the Contract the Company shall as part of the Services enable the Client to electronically review a schedule of the Containers so delivered.
- 4.4 The Client warrants that:
 - 4.4.1 it is the owner or legal custodian of the Files and Documents to be stored by the Company pursuant to this Contract;
 - 4.4.2 such Files and Documents are neither of a dangerous or inflammable nature nor do they have any dangerous characteristics nor do they include or contain any dangerous substances whatsoever and will not contaminate the Company's Premises or other files or documents archived therein;
 - 4.4.3 it is contracting as a principal and not as an agent and that the Client is entitled to deal with the Files and Documents in accordance with the Contract;
 - 4.4.4 it will accurately list the quantity and identification markings on the Containers delivered to the Company and the Company shall not be liable for any loss, or damage, or inconvenience arising directly, or indirectly out of any discrepancy or error contained in them, or out of any omission from them.
- 4.5 The Client and any person authorised (in manner hereafter appearing) by the Client shall by prior appointment be entitled to have access to, or collect, any Files or Documents of the Client archived by the Company pursuant to the Contract during the Company's normal working hours which are 9.00 a.m. to 5.00 p.m. on every weekday (Saturdays Sundays and Public Holidays excluded). The Client shall on the Commencement Date notify the Company of all personnel authorised to have access to or to collect Files and Documents by fax or email and confirmed by a letter containing the original signatures of such authorised personnel. Any changes to the Client's authorised personnel shall be immediately notified to the Company by the Client in the same manner. Any person authorised by the Client, either to have access to, or to collect Files and Documents, shall produce to the Company's representative at the Premises proof of identity.
- 4.6 The Client shall promptly notify to the Company in writing, by Recorded Delivery, any change of address of the Client. Notwithstanding the provisions of the Contract the Company shall be under no liability to the Client if the Client fails to comply with its obligations in this Condition 4.6 and clause 4.5 above.
- 4.7 The Client shall indemnify and hold harmless the Company from all claims and all direct, indirect or consequential liabilities (including loss of profits, loss of business, depletion of goodwill and similar losses) costs, proceedings, damages and expenses (including legal and other professional fees and expenses) awarded against, or incurred or paid by, the Company as a result of or in connection with:
 - 4.7.1 the Company's possession of the Client's Files and Documents;
 - 4.7.2 the characteristics of those Files and Documents;
 - 4.7.3 the Client's breach of any terms or provisions of the Contract;
 - 4.7.4 the Company's relations with third parties designated by the Client (such as the Client granting solicitors, auditors or any third party access to Files and Documents held by the Company);
 - 4.7.5 the Client's fraud, negligence, failure to perform or delay in the performance of any of its obligations under the Contract; unless any of the foregoing, save in the event of the Client's fraud, are caused solely by the negligence of the Company.
- 4.8 If the Company's performance of its obligations under the Contract is prevented or delayed by any act or omission of the Client, its agents, sub-contractors or employees, the Company shall not be liable for any costs, charges or losses sustained or incurred by the Client arising directly or indirectly from such prevention or delay.

5 Charge and Payment

- 5.1 The Charges shall be calculated in accordance with the Company's Price List as amended from time to time by the Company giving not less than 3 months written notice to the Client at any time but not to be served before the expiry of the initial 12 month period of the Contract.
- 5.2 The Company shall invoice the Client monthly in arrears for its Charges (together with VAT where appropriate) for the month concerned. The Client shall pay each invoice submitted to it by the Company, in full and in cleared funds, within 14 days of receipt.

- 5.3 Where archiving facilities are to be provided as part of the Services the Charges payable in respect of those archiving facilities:
- 5.3.1 shall be calculated from the date of deposit (or from the relevant first annual anniversary of the date of deposit) of the Files and Documents by the Client with the Company to the end of the calendar month in which the deposit of the Files and Documents was made (or to the end of the relevant first annual anniversary month) and thereafter calculated monthly in arrear in accordance with Condition 5.1;
- 5.3.2 shall accrue on a daily basis in respect of any period which is less than one calendar month.
- 5.4 Where the Services incorporate the Company making deliveries of or collecting Files and Documents from the Client, the agreed times for delivery shall be as shown in the Price List however the Company shall have no liability to the Client for any loss or damage arising out of any failure to collect or delivery the Files and Documents within any particular period.
- 5.5 Without prejudice to any other right or remedy that it may have, if the Client fails to pay the Company on the due date the Company may charge interest on the sum from the due date for payment at the annual rate of 3% above the base lending rate from time to time of Clydesdale Bank plc, accruing on a daily basis and being compounded quarterly until payment is made, whether before or after any judgement and the Company may claim interest under the Late Payment of Commercial Debts (Interest) Act 1998 and suspend all Services until payment has been made in full. Time for payment shall be of the essence of the Contract.
- 5.4 All sums payable to the Company under the Contract shall become due immediately on its termination, despite any other provisions.

6 Termination

- 6.1 Without prejudice to any other rights or remedies which the parties may have, either party may terminate the Contract without liability to the other immediately on giving notice to the other if:
- 6.1.1 an order is made or a resolution is passed for the winding up of the other party;
- 6.1.2 an order is made for the appointment of an administrator to manage the affairs, business and property of the other party;
- 6.1.3 a receiver is appointed of any of the other party's assets or undertaking.
- 6.1.4 the other party cease to trade.
- 6.2 On termination of the Contract for any reason:
- 6.2.1 the Client shall immediately pay to the Company all of the Company's outstanding unpaid invoices and interest, and, in respect of Services supplied but for which no invoice has been submitted, the Company may submit an invoice, which shall be payable immediately on receipt;
- 6.2.2 the Company shall, return all of the Client's Files and Documents which it may have archived in accordance with the Services provided that full and final payment has first been made to the Company by the Client of all scanning, archiving and retrieval fees and termination fees (if any) as specified in the Company's then current Price List.
- 6.3 To maintain availability of on-line facilities in respect of archived Files the on-line service fee as referred to in the Price List must be maintained even after termination of the Contract.
- 6.4 Charges during any termination notice period will be calculated for the entire period based on the quantity of scanning, archiving and retrieval operative during the period.

7 Limitation of Liability

- 7.1 This Condition sets out the entire financial liability of the Company (including any liability for the acts or omissions of its employees, agents and sub-contractors) to the Client in respect of any breach of the Contract, any use made by the Client of the Services and any representation, statement or tortious act or omission (including negligence) arising under or in connection with the Contract.
- 7.2 All warranties, conditions and other terms implied by statute or common law are to the fullest extent permitted by law, excluded from the Contract.
- 7.3 Nothing in these Conditions limits or excludes the liability of the Company for death or personal injury resulting from negligence or for any damage or liability incurred by the Client as a result of fraud by the Company.
- 7.4 Subject to Condition 7.2 and 7.3 the Company shall not be liable for loss of profits or business, depletion of goodwill or similar losses, loss of anticipated savings, goods, contract, use or loss of corruption of data or information or any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses.
- 7.5 The Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with the performance or contemplated performance of the Contract shall be limited to the price paid for the Services in the preceding 3 months.

7.6 Notwithstanding clause 7.5, the Company shall have no liability unless the Client notifies the Company of an alleged liability in writing within 30 days after the alleged liability has occurred.

7.8 Save to the extent of the maximum aggregate liability specified in Condition 7.5 above, the Company does not insure Files and Documents.

8 General

8.1 The Client will not assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

8.2 Nothing in the Contract is intended to, or shall operate to, create a partnership between the parties, or to authorise either party to act as agent for the other, and neither party shall have authority to act in the name or on behalf of or otherwise to bind the other in any way.

8.3 Notice given under the Contract shall be in writing and shall be delivered personally, sent by fax, electronic mail or sent by recorded delivery in an envelope addressed to the last known postal address of each party. A notice is deemed to have been received, if delivered personally, at the time of delivery, in the case of fax or electronic mail, at the time of transmission, in the case of recorded delivery, 48 hours from the date of posting and, if deemed receipt under this Condition 8.3 is not within business hours, at 9am on the first business day following delivery. To prove services, it is sufficient to prove that the notice was transmitted by fax, to the fax number of the party or, in the case of post, that the envelope containing the notice was properly addressed and posted.

8.4 The Company acknowledges that the Client has a proprietary interest in maintaining the confidentiality of any Files and Documents archived by the Company and undertakes that, both during and after the termination of the Contract, it will not disclose any confidential information pertaining to the nature of any such Files or Documents to any other party. The Company will impose similar obligations of confidentiality relating to such Files and Documents on its employees. All information concerning Files and Documents archived by the Client is confidential save that which is already in the public domain or which the Company can show was known to the Company prior to the disclosure or made known to the Company by a third party who had a right to do so and did not impose any subsisting obligation of confidentiality on the Company.

8.5 The Company does not operate as a Data Controller under the terms of the Data Protection Act 1998 in respect of the content of any Files or Documents. The Company has voluntarily registered with the Information Commissioner because it electronically archives confidential information about persons contained within Files and Documents.

8.6 The Contract constitutes the whole agreement between the Company and the Client and supersedes all previously agreements between the parties relating to its subject matter. The Client acknowledges that, in entering into the Contract, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty other than as expressly set out in the Contract or in the Company's marketing literature.

8.7 No variation of the Contract is binding on the Company or the Client unless agreed to in writing and signed by authorised representatives of the Client and the Company. A waiver of any right under the Contract is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and in respect of the circumstances for which it is given.

8.8 The Company shall have no liability to the Client under the Contract if it is prevented from or delayed in performing its obligations under the Contract or from carrying on its business by acts, events or omission or accidents beyond its reasonable control including strikes or other industrial disputes, 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, fire, flood, storm or default of suppliers or sub-contractors.

8.9 If any provision of the Contract is found by any court or administrative body to be invalid, unenforceable or illegal, the other provisions will remain in force. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, that provision will apply with whatever modification is necessary to make it valid, enforceable and legal.

8.10 The Contract is made for the benefit of the parties to it and (where applicable) their successors and permitted assigns and is not intended to benefit, or be enforceable, by anyone else.

8.11 The Contract and any dispute or claim arising out of or in connection with it or its subject matter, shall be governed by and construed in accordance with the law of England.