

RENTAL AGREEMENT TERMS AND CONDITIONS

1. The Hiring

- 1.01 Each order for the hire of a Shopbox and any other product from us (a "Shopbox") that you make shall be deemed to be a request to hire the Shopbox subject to the conditions of these terms.
- 1.02 No order for the hire of a Shopbox shall be deemed to be complete until we have received a copy of the Schedule to this agreement (the "Schedule") and a copy of the direct debit mandate that is available from our website, in each case signed by you. You agree that you will return a signed copy of the Schedule and the direct debit mandate to us at the address shown on the Schedule. A contract will only be made once we actually deliver the Shopbox to you and these terms will form part of the contract between you and us.
- 1.03 From the delivery of the Shopbox we will hire to you the Shopbox detailed on the Schedule and you will take the Shopbox on hire for the periods and at the cost shown on the Schedule.
- 1.04 You may cancel an order or the contract with us for any reason without liability within 14 days beginning on the day after we deliver the Shopbox to you. If you wish to cancel an order or the contract under this clause please contact us as soon as possible on the contact details in the Schedule. If you cancel under this clause you will not receive a refund of the Installation Fee as we will have provided this service to you, but you will receive a refund of all other money paid to us under the contract.
- 1.05 You may also cancel the contract with us for any reason after the time period set out in clause 1.04, for up to 30 days after we deliver the Shopbox to you. If you wish to cancel an order or the contract under this clause please contact us as soon as possible on the contact details in the Schedule. If you cancel under this clause you will not receive a refund of the money paid to us under the contract, but you will be released from the contract irrespective of the portion of the Fixed Period still to run.

2. Delivery of the Shopbox

- 2.01 We shall contact you following receipt of the signed Schedule and direct debit mandate. We shall require not less than 14 days notice of the date on which we will deliver the Shopbox. If for any reason we are subsequently unable to deliver the Shopbox on the date that we have arranged with you we agree that (unless such cancellation is caused by an event outside our control, as detailed in clause 2.06 below or is made at your request), we shall give you not less than 48 hours advance notice of cancellation and shall arrange for delivery to take place as soon as possible thereafter.
- 2.02 Delivery shall take place at the Shopbox location address specified on the Schedule. You will become responsible for the risk of damage or loss occurring in respect of the Shopbox immediately following delivery to you. We will remain the owner of the Shopbox at all times. If you request any special delivery arrangements such as delivery at weekends or outside business hours, then you will pay to us any additional costs that may be incurred.
- 2.03 You will inspect the Shopbox as soon as possible following delivery and shall promptly notify us of any alleged defect, shortage in quantity or failure to comply with any description given. If you do not promptly notify us the Shopbox shall be deemed to be in accordance with the contract and free from any defect or damage which would be apparent on a reasonable examination of the Shopbox and you shall be deemed to have accepted the Shopbox.
- 2.04 If the Shopbox is not in accordance with the contract for any reason, we shall replace the Shopbox and make no charge in respect of the collection of the old Shopbox and re-delivery of the new Shopbox. Your remedy shall be limited to us replacing the Shopbox.
- 2.05 We reserve the right to defer the date of delivery or to cancel the contract with you and without liability for any loss or damage caused if we are prevented from or delayed in the carrying on of our business or performing the contract due to

RENTAL AGREEMENT TERMS AND CONDITIONS

circumstances beyond our reasonable control including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to our workforce) or restraints or delays affecting carriers or inability or delay in obtaining supplies provided that, if the event in question continues for a continuous period in excess of 30 days, you shall be entitled to give notice in writing to us to terminate the contract.

3. Payments

3.01 You must pay us together with any applicable Value Added Tax ("VAT") at the times shown on the attached Schedule or stated in these terms:

(a) the Administration Fee as detailed in the Schedule to cover administration and delivery charges;

(b) the Installation Fee as detailed in the Schedule to cover installation charges;

(c) the Advance Rental payment as detailed in the Schedule.

(d) the Monthly rental charge shown on the Schedule.

(e) any other sums payable under the contract.

All payments must be made on the due dates stated in each case by direct debit from your bank account except the Administration Fee, Installation Fee and the Advance Rental Payment which should be paid either by credit card or by cheque and returned with the signed Schedule.

3.02 The Monthly rental shall not be amended until you have had the Shopbox for at least 2 years. Any amendments shall be in line with the change in the Retail Price Index and the Monthly rental shall not be amended more than once in any 12 month period.

4. Risk, care, ownership

4.01 You are liable for any loss, theft, destruction of or damage to the Shopbox howsoever caused from the time of delivery until they are accepted as returned to us in satisfactory condition.

4.02 You must keep the Shopbox in good repair and condition (allowing for fair wear and tear) and let us know if the Shopbox is damaged or lost. We will repair or replace a damaged or lost Shopbox but will charge you for the costs of repair or £350+VAT if we replace the Shopbox (whether because of loss or damage beyond economical repair).

5. Care of the Shopbox

5.01 You must:

(a) only use or permit the Shopbox to be used lawfully;

(b) keep the Shopbox at the Shopbox location address in the Schedule;

(c) make sure that we or our agents always have a right of access to the Shopbox for their removal; and

(d) make sure that we or our agents always have access to the Shopbox and all related records for inspection on not less than three working days notice.

5.02 You must not give or try to give anyone else any rights over the Shopbox.

RENTAL AGREEMENT TERMS AND CONDITIONS

5.03 You will ensure that the Shopbox are used in a careful and proper manner and in strict accordance with the operating instructions supplied with the Shopbox.

5.04 You must not make any alterations to the Shopbox.

6. Default

6.01 You must not:

(a) fail to make any payment when due or breach of the contract or any contract you may have with us;

(b) do or allow to be done anything which may reasonably put at risk the performance of your obligations under the contract.

7. Indemnity

7.01 You will indemnify us against any liability or loss (including legal costs) which we may reasonably incur as a result of a breach by you of the terms of the contract (including any liability or loss that we may incur in repossessing the Shopbox following a breach of the contract by you). The indemnity in respect of loss of profit shall only apply to the earliest date upon which the contract could be terminated in accordance with its terms.

8. Insurance and Damage relating to the Shopbox

8.01 (a) You will insure and keep insured the Shopbox against all usual risks to the value of at least £350+VAT.

(b) The obligation to insure the Shopbox applies from delivery of the Shopbox until the Shopbox is returned to us or otherwise disposed of following termination of the contract.

(c) If you fail to insure in accordance with this clause we may do so and charge you for the premium (including tax) and any administrative expenses incurred by us upon demand.

8.02 If the Shopbox is damaged (other than normal wear and tear) you will pay for all repairs of the damage and any costs and expenses incurred by us in effecting or arranging the repairs to the maximum amount of £350+VAT. If we consider that it is not economical to repair the damage or the Shopbox is lost or stolen we will replace the Shopbox and charge you £350+VAT.

9. Termination of the Contract

9.01 We will be entitled to terminate the contract without notice if you:

(a) fail for more than 28 days to pay any Rental or other sum due under the contract; or

(b) commit any breach of clauses 5 or 6; or

(c) fail for more than 30 days after a request from us to remedy any other breach of the contract; or

(d) abandon the Shopbox or do anything which could jeopardise our rights over the Shopbox.

10. Termination of the Contract on grounds of bankruptcy

10.01 The contract and the hire of the Shopbox will terminate automatically and we may repossess the Shopbox at any time if:

(a) you have a bankruptcy order made against you; or;

RENTAL AGREEMENT TERMS AND CONDITIONS

(b) you make an arrangement or composition with your creditors; or

(c) you otherwise take the benefit of any statutory provision for the time being in force for the relief of insolvent debtors.

11. Payments on Termination Due to Breach

11.01 On any termination of the contract under clauses 9 and 10, you will pay us within 7 days of demand (together with VAT), the aggregate of:

(a) all the Rentals and other sums due under the contract up to the date of termination; and

(b) a sum to compensate us for our reasonable costs which we may reasonably incur:

(i) in relation to the return or repossession of the Shopbox; and

(ii) servicing, providing replacement parts and carrying out repairs which are needed to put the Shopbox in good condition following their return or repossession.

11.02 Any certification of a sum or amount payable by you pursuant to clause 11.01 made by us will be conclusive and binding on you, save in respect of manifest error.

11.03 Your obligations under clause 11.01 will be treated as if they had arisen immediately before and not after termination.

11.04 In the event of termination of the contract, we shall refund to you that proportion of the Advance Rental Payment as shall represent the period from the date of termination until expiry of the first month (calculated on a pro rata basis), provided that we shall be entitled to set off against such sum any sum that you may owe to us pursuant to clause 11.01 or otherwise.

12. End of Fixed Period; Extension of Rental; Return of Shopbox

12.01 Unless terminated under clauses 9 or 10, the contract shall continue on expiry of the Fixed Period until terminated by either party giving not less than 30 days written notice to the other that it wishes the contract to terminate ("Termination Notice"). A Termination Notice may only take effect either on or after the expiry of the Fixed Period.

12.02 On termination, whether at the end of the Fixed Period or after, you will make the Shopbox available for collection by us on such date as we shall notify to you not less than 2 working days in advance at the Shopbox location address shown on the Schedule. The Shopbox must be in the same original, complete and working condition that they were in when originally supplied (allowing for fair wear and tear). We will collect the Shopbox within 10 working days of termination of the contract. If you fail to make the Shopbox available for collection, you will pay to us an additional Rental charge plus VAT for each day by which the return of the Shopbox is overdue. Such additional Rental shall be due within 7 days of a demand.

13. Limitation of Liability

13.01 We warrant to you that if, during the contract, acting reasonably, we are satisfied that the Shopbox is defective or becomes defective, and you have not caused the defect, you have not attempted to repair or alter the Shopbox and you have paid all sums arising under the contract, we shall make good the defect by repair or replacement.

13.02 We do not restrict our liability for death or personal injury resulting from our negligence, or for fraud or any other matter or cause which cannot be lawfully excluded.

13.03 Nothing in the contract shall affect your statutory rights as a consumer.

RENTAL AGREEMENT TERMS AND CONDITIONS

- 13.04 Save as mentioned in clause 13.02, in no circumstances shall our liability to you (whether in contract or for negligence or otherwise) exceed:-
- (i) where such liability is covered by comprehensive insurance maintained by us in respect of public or product liability, the sum for which we may carry such insurance cover from time to time; or
 - (ii) where such liability is not covered by our insurance the sum of £5,000.

In no circumstances shall we be liable for any indirect, special or consequential losses (including loss of anticipated profits) howsoever arising, even if we have been advised of the possibility of such potential loss.

- 13.05 You shall not do anything or permit anything to be done which might damage, endanger or infringe our intellectual property rights in the Shopbox, including allowing or assisting a third party to do so or manufacturing a copy of the Shopbox which would or might infringe our intellectual property rights in the Shopbox in any way.

14. General

- 14.01 If you fail to pay any sum due on time we will charge you daily interest on that sum at the rate of 4% above the base lending rate from time to time of Royal Bank of Scotland Plc, accruing on a daily basis. Interest will be charged from the date payment is due until actual payment. This provision will apply both before and after any court judgement we may obtain against you and will survive and apply after termination of the contract.
- 14.02 If you incur any liability to us we may set off such liability against any sum that would otherwise be due to you under the contract.
- 14.03 Any notice required under the contract can be served in writing (including by fax and email), and posted or delivered by hand to the address shown on the Schedule. Notice will be effective on receipt of delivery confirmation if sent by fax, 24 hours after sending if sent by email, 72 hours after posting if sent by prepaid letter post and at the time of delivery if delivered by hand. You may also telephone us.
- 14.04 Our rights under the contract will not be affected by any concession made by us to you, other than the particular concession made.
- 14.05 You may not assign your obligations under the contract to another party.
- 14.06 Your obligation to indemnify us under clause 7, to pay us interest under clause 14.01 and to pay us an additional Rental or payment under clause 12.02 will not be affected by any termination of the contract.
- 14.07 No addition or variation to these terms and conditions is effective unless we agree in writing by the signature of one of our directors. These terms and conditions override any other terms and conditions in any document or communication whether prepared by you or otherwise.
- 14.08 The contract will incorporate the terms of any supplementary documents signed by you and us.
- 14.09 You confirm that the information provided by you and shown on the Schedule is true and you acknowledge and agree that such information forms part of the terms of the contract. By signing the Schedule you also agree to be bound by these terms and conditions.
- 14.010 The contract shall be governed and interpreted in accordance with English law and the parties submit to the exclusive jurisdiction of the English Courts.

RENTAL AGREEMENT TERMS AND CONDITIONS

Shopbox Systems Limited, Albert Road, Leeds, LS27 8TT

Tel: 0113 252 2333

Fax: 0113 252 7915

www.shopbox.co.uk