

TERMS AND CONDITIONS OF BUSINESS

Maintenance Service

1. The maintenance service will be either '**Bronze**', '**Silver**', '**Gold**' or '**Platinum**' as stated on the agreement.
 - a) '**Bronze**' - **Routine** Service shall provide periodic visits for the purpose of routine test, inspection and preventive maintenance at appointed times and intervals by arrangement with the Customer. PEL Services Limited (PEL) engineers will be available for emergency visits (during normal working hours) to remedy malfunctions of "the equipment" but the cost of labour and materials used on these visits will be charged as an addition to the charge for routine maintenance in accordance with PEL's list of service charges issued with this Agreement.
 - b) '**Silver**' - **Routine Plus** Service shall provide for periodic visits for the purpose of routine, test, inspection and preventive maintenance at appointed times and intervals by arrangement with the Customer. PEL engineers will be available for emergency visits to remedy malfunctions of "the equipment" 24 hours per day 365 days per annum. The cost of labour and materials used on these emergency visits will be charged in addition to the charge for routine maintenance in accordance with PEL's list of service charges issued with this Agreement.
 - c) '**Gold**' - **Comprehensive** Service shall provide that between the hours of 0900 and 1700 PEL will make emergency maintenance visits to remedy malfunction of "the equipment" as reported to PEL by the Customer, including the replacement of unserviceable parts. PEL may, at its discretion, provide a substitute unit for any of those units constituting "the equipment". Unless otherwise stated herein, preventative maintenance visits will be made at intervals determined by PEL but normally not less than those required by relevant British Standards. These visits will be made at times and dates agreed in advance by PEL with the Customer.

PEL reserves the right to make additional charges (calculated in accordance with PEL's list of service charges issued with this Agreement), for remedying any part of "the equipment" which has malfunctioned as a result of any of the following:-

 - i) The negligence, misuse or default of "the equipment" by the Customer or any third party.
 - ii) An accident by either the Customer or any third party.
 - iii) The correction and/or alteration of any operator error by the Customer or any third party.
 - iv) Any modification or additions to "the equipment" not performed by PEL.
 - v) "The equipment" being moved from its normal location by the Customer or any third party.
 - vi) No cable faults (connecting cable external to equipment) are covered under comprehensive maintenance.
 - d) '**Platinum**' - **Fully Comprehensive** Service shall provide the same service as comprehensive service, with the inclusion of emergency visits at all times.
 - e) PEL also reserves the right to make additional charges (calculated in accordance with PEL's list of service charges issued with this Agreement), for any service visits which are occasioned other than by the malfunction of "the equipment" covered by this Agreement.
2. PEL will endeavour to attend to any fault within 24 hours of being notified of a fault by the Customer. However, PEL accepts no responsibility for any loss, damage or other claims resulting from failure to attend within this period.
3. When, in the opinion of PEL, reconditioning is necessary because normal repairs and parts replacement cannot keep "the equipment" in a satisfactory operating condition, PEL will submit a cost estimate for the renewal of the part or the whole of "the equipment". Any such renewals authorised by the Customer will be at a cost additional to the maintenance charge. In the event that the Customer does not authorise such a renewal, PEL will not accept any further responsibility for the performance of "the equipment" needing replacement. All defective parts permanently removed by PEL will become the property of PEL and replacements will become the property of the Customer.

PEL SERVICES LIMITED

Customer's Obligations

4. The Customer will:
 1. Allow PEL full and free access to "the equipment" for maintenance purposes when required.
 2. Keep and use "the equipment" in a proper and prudent manner and ensure that only competent personnel are allowed to operate it.
 3. Avoid any activity in the vicinity of "the equipment" which could be prejudicial to the correct functioning of "the equipment", whilst ensuring that the area in which "the equipment" is located is kept clean and tidy.
 4. Not move "the equipment" nor make any addition, modification or adjustment to it without prior written consent from PEL. This consent will not be unreasonably withheld.
 5. To ensure that an adequate and suitable supply of electricity is available for the correct operation of "the equipment".
 6. To promptly notify PEL of any fault or abnormal functioning of "the equipment".

Charges

5. The Customer agrees to pay the annual charge (as detailed in 'the charge') until this Agreement is terminated.
6. The annual charge shall remain unaltered for the remainder of the calendar year in which the date of commencement of this Agreement falls. For the subsequent year(s), the charge will be varied by such percentage as shall be equal to the percentage rise over the period of twelve calendar months in the general index of retail prices, or any successor of this index, issued by the Department of Employment, Statistics Division as at the 30th September immediately prior to the invoicing date; or varied by a minimum rise of 2%, whichever shall be the greater.

Payment

7. On execution of this Agreement, PEL will submit to the Customer an invoice for the initial annual charge. The due date for payment will be the date of PEL's invoice. The final date for payment of the said invoice by the Customer shall be 30 days before the date agreed between the parties for the commencement by PEL of the services under this Agreement (or such other reasonable period stipulated by PEL).
8. PEL will submit to the Customer an invoice for the agreed annual charge for any subsequent year not later than 60 days before the expiry of the preceding year. The due date for payment of any such invoice(s) will be date of PEL's invoice(s). The final date for payment of any such invoice(s) shall be 30 days before the commencement of that subsequent year (or such other reasonable period stipulated by PEL).
9. PEL will submit to the Customer invoices for any additional charges from time to time. The due date for payment of any invoice for additional charges will be the date of PEL's invoice. The final date for payment by the Customer of any such invoice shall be 30 days from the due date for payment.
10. Not later than 5 days after the due date for payment of any invoice submitted to the Customer by PEL for additional charges, the Customer shall provide a notice in writing to PEL specifying the amount the Customer proposes to pay to PEL in respect of PEL's invoice ("the Payment Notice"). The Payment Notice shall also state the basis upon which the amount the Customer proposes to pay has been calculated.
11. If the Customer intends to withhold the whole or any part of the sum included in any invoice for additional charges, the Customer shall give a notice in writing to PEL not later than 7 days before the final date for payment of that invoice stating each and every ground for withholding payment and the amount attributable to each and every ground ("the Withholding Notice").
12. If the Customer fails to make any payment of any invoice for additional charges and no effective Withholding Notice in accordance with clause 11 has been served, PEL shall be entitled to suspend the further performance of its obligations under this Agreement upon first giving the Customer 7 days notice in writing of its intention to do so. The suspension shall remain in force until the Customer has made payment in full of all sums outstanding.
13. If the Customer fails to make any payment due to PEL under any invoice submitted under this Agreement and also fails to serve an effective Withholding Notice in accordance with clause 11, PEL shall be entitled to charge interest on the amount outstanding at the rate of 8% above the Base Rate of National Westminster Bank from the date payment became overdue until the date payment is received by PEL.

Liability

14. PEL will not be held liable for loss or damage or consequential loss arising from equipment failure. If, however, damage to property is proved to have been caused by the negligence of PEL, its servants or agents, then the liability of PEL will be limited to £1,000,000 (one million pounds) in respect of any claim or series of claims for damage to property resulting from any one incident.

PEL SERVICES LIMITED

Belvue Business Centre, Belvue Road, Northolt, Middlesex, UB5 5QQ
Tel: 0333 123 2100 Fax: 020 8841 1948 Email: pel@pel.co.uk www.pel.co.uk

Term

15. This Agreement shall continue from the commencement date for the term (unless determined by either the Customer or PEL giving to the other not more than six and not less than three months notice in writing by recorded delivery to determine this Agreement at the end of the term) and thereafter this Agreement shall continue until determined by either party giving written notice to the other by recorded delivery not more than six and not less than three months prior to the anniversary.

Excusable Delays

16. Neither party shall be liable or deemed to be in default for any delays or failures in its performance of its obligations under this Agreement or interruption of service resulting directly or indirectly from acts beyond the control of that party, such acts to include (but shall not be limited to), Acts of God, Acts of Government, war or national emergency, accidents, fires, riots, lockouts, labour disputes, epidemics, governmental regulations, power failure or damage or delays of replacement parts or equipment en route.

Defaults/Determination

17. If:-
- a) any sum due and payable by the Customer is not paid in accordance with this Agreement; or
 - b) the Customer is in breach of or fails to perform or observe any other undertakings, agreements or stipulations on its part contained herein and, in the case of a breach which is capable of being remedied, fails to remedy the breach to the satisfaction of PEL within 14 days of being required by PEL in writing to do so; or
 - c) becomes bankrupt or makes any composition with its creditors or has being a company a proposal for a voluntary arrangement approved in accordance with the Insolvency Act 1986 applies to the Court for an administration order, has a winding up order made against it or a provisional liquidator appointed or has a receiver or manager or administrative receiver appointed.,

then, and in any such event, PEL shall be entitled (without prejudice to any other right or remedy it may have and notwithstanding that some period in respect of which an annual charge has already been paid in advance may not yet have expired), forthwith and without any notice determine this Agreement.

18. The determination of this Agreement from whatsoever cause shall be without prejudice to any right to remedy PEL may have in respect of any failure on the part of the Customer to observe and perform the provisions of this Agreement and (without prejudice to the generality of the foregoing), the Customer shall in the event of the determination of the Agreement pay to PEL all arrears or maintenance charges and other sums then due or in arrears in accordance with this Agreement at the date of such determination together with interest thereon.

Dispute Resolution

19. If at any time during the term of this Agreement a dispute shall arise between the parties under or in connection herewith, either party shall have the right to give the other party a written notice requiring the dispute to be referred to adjudication. An application is to be made to the Royal Institution of Chartered Surveyors for the appointment of an adjudicator and the adjudication shall be conducted in accordance with the Statutory Scheme for Construction Contracts.

Third Party Rights

20. Any person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of this Agreement except where such right or remedy exists or is available apart from that Act.

Notices

21. Any notices served under this Agreement shall be served at the registered office or principal place of business of the parties.

Proper Law

22. The construction, validity and performance of this Agreement shall be governed by English law.
23. If any clause in these terms and conditions is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other clauses set out herein and the remainder of the clause in question shall remain in force and effect.

PEL SERVICES LIMITED

Belvue Business Centre, Belvue Road, Northolt, Middlesex, UB5 5QQ
Tel: 0333 123 2100 Fax: 020 8841 1948 Email: pel@pel.co.uk www.pel.co.uk