



## TERMS AND CONDITIONS

### 1. FOR THE MUSIC SERVICE

1.1. Pel Services Limited (PEL) agrees throughout the successive terms of this agreement to provide a music service by means of recordings sent by file transfer or CD Rom to the Hirer at the installation address. Under this agreement no more than 240 tracks/recordings can be updated per site, per calendar year. Each recording remains the property of PEL at all times.

1.2. PEL agrees 1.2.1.to supply on the starting date the number of starter tracks indicated on the face of this agreement;

1.2.2.to pay in respect of the recordings all Mechanical Copyright Performance Society (MCPS) fees and Phonographic Performance Limited (PPL) royalties arising from the duplication of the copyright material.

1.3. The Hirer agrees

1.3.1.to pay all fees or royalties arising from the public performance of the recordings. A valid licence for public performance issued by Phonographic Performance Limited (PPL) in respect of site fees and the Performing Right Society (PRS) must be in force during the entire term of this agreement;

1.3.2.not to duplicate, download or allow to be duplicated, any of the recordings supplied by PEL. Such duplication is forbidden and would constitute an infringement of the Copyright Act and may be an offence under the Performers Protection Acts 1958-72.

### 2. FOR THE INSTALLATION OF THE EQUIPMENT

2.1. PEL undertakes and agrees that it will within a reasonable time from the acceptance hereof:

2.1.1.during normal working hours install the equipment in first class condition and working order using all reasonable care to avoid damage to the fabric of the premises;

2.1.2.pay due regard to the requirements of the Hirer when installing the Equipment and to his representations concerning the reproduction and diffusion of the music programmes it being understood that the decision of PEL as to the technical efficiency of the Equipment shall be accepted as final by the parties.

### 3. FOR THE INSTALLED EQUIPMENT

3.1. The Hirer acknowledges that at all times Equipment that is supplied under the Hire Agreement shall remain the sole and absolute property of PEL and the Hirer expressly undertakes and agrees:

3.1.1.not to sell assign pledge charge or part with the possession of the Equipment, or to remove it to any other premises;

3.1.2.not to deface or remove the name plates or other marks from the Equipment;

3.1.3.to pay for any loss or damage to the Equipment howsoever caused except by fair wear and tear;

3.1.4.to allow PEL to make such alterations and/or additions to the Equipment (without extra charge to the hirer) as may be deemed necessary by PEL to ensure the continued maintenance of the service;

3.1.5.not to interfere with or attempt to adjust or make any connections or alterations to the Equipment or any part thereof;

3.1.6.to make available and to provide at the Hirer's expense an uninterrupted supply of central electricity power for connection of the Equipment by means of a mains point which shall be within two metres of the Equipment or such other position as may be agreed between the parties;

3.1.7.to give prompt notice to PEL of any breakdown of the Equipment;

3.1.8.to allow the employees agents and representatives of PEL access to the Premises to carry out regular inspections of the Equipment on hire and to make such alterations and/or additions to the Equipment as may be deemed desirable by PEL.

3.2. PEL shall not in any event be held liable for any damage to the Premises or losses or other damage either direct or consequential suffered or alleged to have been suffered by the Hirer

3.2.1. caused by or arising in the course of installation or removal of the Equipment;



3.2.2. owing to any delay in the installation or maintenance of the Equipment;

3.2.3. caused by any defect in the Equipment;

3.2.4. on account of any failure or interruption of the supply of recordings owing to circumstances beyond PEL's control.

3.3. PEL undertakes during normal working hours to maintain the Equipment that is supplied under the Hire Agreement and rectify any breakdowns or faults which have been notified by the Hirer and carry out such repairs and replacements as may be made necessary by fair wear and tear or as a result of faulty workmanship or defective materials.

#### 4. FOR THE FEES AND CHARGES

4.1. The Hirer agrees to pay on the starting date (meaning the date at which the music service is first supplied), the initial charge and the proportion of the annual rental relating to the period to the next 1st January and on that date in each successive year, to pay the annual rental in advance until this agreement is terminated.

4.2. The annual rental shall remain unaltered for the remainder of the calendar year in which the starting date falls and for the following calendar year. In each subsequent year, the rental 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.

#### 5. GENERAL

5.1. PEL shall have the right by written notice to the Hirer to terminate this Agreement forthwith and to enter the premises and remove the Equipment if:

5.1.1. the Hirer shall be and remain after due notice in breach of any of the provisions of Clauses 1.3, 3.1 or 4 hereof; OR

5.1.2. the Hirer shall repudiate this Agreement or commit any other fundamental breach of it; OR

5.1.3. the Hirer shall fail to pay any of the charges hereinafter set out within thirty days of their becoming due: OR

5.1.4. the Hirer being an individual or partnership commits an act of Bankruptcy or shall have an Order in Bankruptcy made against him; OR

5.1.5. the Hirer being a company shall pass a resolution for its voluntary liquidation (otherwise than for the purposes of reconstruction or amalgamation) or if a petition shall be presented to the court for the compulsory winding up of the company; OR

5.1.6. a Receiver shall be appointed of the Hirer's property or distress or execution shall be levied on the Hirer's property.

5.2. Upon the giving of any such notice in any of the foregoing events the Hirer shall no longer be regarded as in possession of the Equipment with the consent of PEL and upon the termination of this Agreement hereunder the balance of the Charges outstanding in respect of the remainder of the then current term of this Agreement shall immediately become due and payable by the Hirer subject to the deduction of allowances:

5.2.1. for services and maintenance not thereafter required of PEL;

5.2.2. for the depreciated value of the Equipment after the cost of reconditioning has been accounted for;

5.2.3. of five per cent of the balance of fees then remaining after the deduction of the foregoing items.

5.3. All notices required to be given hereunder shall be in writing and addressed to the party to be served at its above-mentioned head office or such other address as it may have notified for the purpose. Any notice required to be given hereunder shall be served by recorded delivery letter addressed as above and any notice proved to have been sent in that way shall be deemed to have been served twenty-four hours after posting.

5.4. The Hirer shall not assign or purport to assign this Agreement in whole or in part without the prior written consent of PEL.

5.5. This Agreement shall continue from the starting date for the term and, unless determined by either the Hirer or PEL giving to the other not more than six and not less than three months' notice in writing to determine this Agreement at the end of the term, this Agreement shall continue thereafter for a further period of the same duration as the original term. Following the end of this second term the agreement shall continue until determined by either party giving three months written notice to the other.