

SEMBEE LTD. TERMS AND CONDITIONS OF BUSINESS

1. DEFINITIONS

1.1 In this Agreement, the following words shall have the following meanings:

the Client have the meanings set out in the Schedule;

the Completion Date

the Consultant

the Consultancy Services

the Fee

the Payment

the Specification Document has the meanings given in clause 2.2 and is the Schedule attached to this Agreement.

2. CONSULTANCY SERVICES

2.1 The Consultant shall provide the Consultancy Services to the Client for the Fee, subject to the provisions of this Agreement.

2.2 At the commencement of the Consultancy Services to the Client, the Consultant shall submit to the Client a specification for the Consultancy Services to be provided. The specification shall specify the Consultancy Services to be undertaken, the timings for the provision of the Consultancy Services, and the Completion Date (where possible) and the fees payable ("**the Specification Document**").

2.3 On receipt of the Specification Document the Client will sign a copy and return that copy to the Consultant to signify the Client's agreement as to the Consultancy Services to be provided and the fees payable to the Consultant. The Client acknowledges and agrees that no Consultancy Services will be provided until the Consultant has received the signed copy of the Specification Document.

2.4 The Specification Document may be varied, or added to, from time to time in writing between both parties. The changes shall be clearly identified, together with the additional different level of fees to be paid by the Client.

3. CALCULATION OF TIME

3.1 *For Fees calculated on a daily rate.* A "day" shall mean a period of 8 hours. Unless otherwise agreed by the Consultant in the Specification Document, any time spent by the Consultant in excess of an 8 hour period on any day of the week shall be charged at double the Consultant's hourly rate.

3.2 *For fees calculated by reference to an hourly rate.* Unless otherwise agreed by the Consultant in the Specification Document, for time spent which is less than a complete hour, the Client shall be charged for the complete hour.

4. PERFORMANCE OF CONSULTANCY SERVICES

4.1 The Parties shall agree the time and place (if not specified in the Specification Document) when the Consultancy Services shall be performed, subject to the availability of the Consultant.

4.2 The Consultant use all reasonable endeavours to complete the Consultancy Services by the Completion Date (if one is specified) or meet such other dates as agreed by the Parties, but the time for performing the Consultancy Services shall not be of the essence.

5. FEES AND PAYMENTS

5.1 Payment of the Fee (as specified in the Schedule, or as calculated in accordance with this Agreement) for the Consultancy Services shall be made within 7 days of the receipt of the invoice submitted by the Consultant unless

the Specification Document states otherwise. The time for payment shall be of the essence.

5.2 All sums payable under the Agreement unless otherwise stated are exclusive of VAT and other duties or taxes and (where applicable) any VAT or other duties or taxes payable in respect of such sums shall be payable in addition to such sums.

5.3 Payment of the Fee for the Consultancy Services is due in pounds sterling.

5.4 The Client shall make all payments due under the Agreement in full without any deduction whether by way of set-off, withholding, counterclaim, discount, abatement or otherwise.

5.5 If the Client fails to make Payment to the Consultant on the due date, then without prejudice to any other right or remedy available to the Consultant, the Consultant shall be entitled to:

5.5.1 cancel the Agreement or suspend any further performance of the Consultancy Services; and

5.5.2 charge the Client:

5.5.2.1 interest calculated on a daily basis on the amount unpaid (both before and after judgment), at the rate of 8% (eight percent) per annum above HSBC Bank base rate from time to time, until payment is made in full;

5.5.2.2 the cost of obtaining judgment or payment to include all reasonable professional costs (including legal fees) and other costs of issuing proceedings or otherwise pursuing the debt recovery procedure.

6. THE CLIENT'S OBLIGATIONS

The Client acknowledges and agrees that for the Consultant to be able to provide the Consultancy Services the Client shall:

6.1 co-operate with the Consultant as the Consultant reasonably requires;

6.2 provide to the Consultant such information and documentation as the Consultant reasonably requires;

6.3 make available to the Consultant the facilities, resources, working space and computer and to further ensure that any of its computer software, hardware or any other equipment which may be used by the Consultant to provide the Consultancy Services are correctly licensed and that the Client has adequate permissions to allow the Consultant to carry out the Consultancy Services.

7. CONSULTANT'S OBLIGATIONS

7.1 The Consultant agrees that it:

7.1.1 shall provide the Consultancy Services set out in the Schedule with reasonable care and skill, in a good and workman like manner, and in accordance with the provisions of this Agreement;

7.1.2 shall keep all information it acquires on the Client during the performance of the Consultancy Services confidential;

7.1.3 it has obtained all necessary and required licences, consents and permits to perform the Consultancy Services and they shall not infringe any third party intellectual property rights.

8. LIABILITY AND INDEMNITY

8.1 If any part of the Consultancy Services is performed negligently or in breach of the provisions of this Agreement then, at the request of the Client (if the request is given within six months of the Completion Date), the Consultant will re-perform the relevant part of the Consultancy Services, always subject to clauses 8.2 and 8.5 below.

8.2 The Consultant shall not be liable to the Client for any loss or damage caused to the Client's property unless such loss or damage is due to the Consultant's negligence or the failure of the Consultant to perform its obligations under this Agreement.

8.3 Except in the case of death or personal injury caused by the Consultant's negligence the Consultant's liability under or in connection with the Agreement whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £500,000.

8.4 The Consultant shall not be liable to the Client in contract, tort, negligence, breach of statutory duty or otherwise for any loss damage costs or expenses of any nature whatsoever incurred or suffered by the Client of an indirect or consequential nature including without limitation any economic loss or other loss of turnover business profits or goodwill.

8.5 Each of the parties acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

9. INSOLVENCY

Without prejudice to any other right or remedy available to the Consultant, the Consultant shall be entitled to suspend the Agreement or cancel the Agreement without liability to the Client if:

- (a) the Client makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
- (b) an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Client; or
- (c) the Client ceases, or threatens to cease, to carry on business.

10. TERM AND TERMINATION

10.1 This Agreement shall automatically expire on completion of the Consultancy Services.

10.2 Except as otherwise provided in the Schedule, either party may terminate the Agreement by giving the other party [two weeks] notice.

10.3 Notwithstanding any such termination or suspension in accordance with clauses 10.1 or 10.2 above the Client shall pay the Consultant all Fees due for all the Consultancy Services provided up to and including the date of suspension or termination and the termination of the Agreement or any contract for whatever reason shall not affect the rights or remedies of either party in respect of any antecedent breach or in respect of any such owing or to become owing to the other.

11. FORCE MAJEURE

The Consultant shall not be liable to the Client or deemed to be in breach of the Agreement by reason of any delay in performing, or any failure to perform, any of the Consultant's obligations in relation to the Services, if the delay or failure was due to circumstances beyond the reasonable control of the Consultant. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Consultant reasonable control:

- (a) acts of God, explosion, fire, flood, lightening or accident;
- (b) war, revolution, acts of terrorism, sabotage, civil disturbance, prohibitive governmental regulations;
- (c) strikes, lockouts or other industrial action or trade disputes (whether involving employees of The Consultant or of a third party); and
- (d) failure of supplies of power, fuel, transport, equipment, raw materials or other goods or services.

If the event of force majeure continues for a continuous period in excess of 3 months, the Client shall be entitled to give notice in writing to the Consultant to terminate the Agreement.

12. GENERAL

12.1 Intellectual Property

Any intellectual property rights (including any patent, copyright, database right, moral right, design right, registered design trade mark, service mark, domain name, know-how, utility model, unregistered design or where relevant any application or any such right or other industrial or intellectual property right subsisting in any part of the world) created by the Consultant in the course of the performance of the Agreement or otherwise in the provision of the Consultancy Services shall remain the Consultant's property. Nothing in the

Agreement shall be deemed to have given the Client a licence or any other right to use any of the intellectual property rights of the Client.

12.2 No Partnership or agency

Nothing in the Agreement shall create, or be deemed to create a partnership or joint venture or relationship of employer and employee or principal and agent between the parties.

12.3 Severance

If any provision of the Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable or indications to that effect are received by either of the parties from any competent authority the parties shall amend that provision in such reasonable manner as achieves the intention of the parties without illegality or at the discretion of the Consultant it may be severed from the Agreement.

12.4 Whole agreement

Each party acknowledges that these Terms and Conditions and the Specification Document contain the whole agreement between the parties.

12.5 Notices

All notices to be given under this agreement shall be in writing and shall either be delivered personally or sent by first class and shall be deemed duly served:

12.5.1 in the case of a notice delivered personally, at the time of delivery; or

12.5.2 in the case of a notice sent by first class prepaid post, 2 clear business days after the date of dispatch.

Each notice shall be addressed to the address of the party concerned set out in the specification Document or to such other address as the parties shall have previously notified to the other in accordance with this clause.

12.6 Proper law and jurisdiction

This Agreement shall be governed by English law and any proceedings arising out of or in connection with this Agreement may be brought in any court in England and Wales.

12.7 Waiver

The failure by the Consultant to enforce at any time or for any period any one or more of the terms of the Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms of the Agreement.

12.8 No assignment or sub-contracting

Neither party shall not assign or sub-contract any of his rights or duties under this Agreement without the prior consent in writing of the other party (such consent not to be unreasonably withheld).

12.9 Third party rights

A person who is not a party to this agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement.

12.10 Data Protection

The Consultant will use the Client's information for administration purposes and for the purpose of providing the Consultancy Services to the Client. The Consultant may disclose such information to its employees and sub-contractors for these purposes. By signing and returning a copy of the Specification Document, the Client agrees to the Consultant's use of the information in this manner.

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