

PARKWOOD LEISURE LIMITED ("the Company")

Standard Terms and Conditions of Purchase

We, the Company, only purchase goods, rights and services ("Deliverables") on these terms and conditions ("the Terms"). Only orders placed in writing upon Our official order forms will be accepted as binding upon Us. Acceptance of Our order by You shall be on these Terms and no other standard terms. Actions by You calculated to appear as an acceptance of our order, will act as an acceptance and You will be bound by Our Terms, regardless of any inconsistency of Your terms. If You wish to reject Our order and make a counter-offer You must reply to Our order in words explicitly and clearly indicating rejection. Equally, if You make a counter-offer which is not clearly labelled as such (or as a rejection of Our order) no subsequent behaviour of Ours, in accepting Performance, can be taken to imply any acceptance by Us of that counter-offer. These Terms can only be changed, or other terms agreed, in written correspondence signed by a director or other senior officer of the Company. These Terms are important and should be studied carefully.

These Terms are available from Us in 12 point type size on request.

1. Definitions

- 1.1 'Us', 'Our', 'We' – Parkwood Leisure Limited.
- 1.2 'You' - The person, firm or company to whom this Purchase Order is addressed.
- 1.3 'The Goods' - Any such goods as are to be supplied by You as detailed on this Purchase Order or associated specification.
- 1.4 'The Services' - Any such services as to be provided by You, as detailed in this Purchase Order or associated specification.
- 1.5 'Specification' - Any document supplied by Us setting out details of our requirements or details contained in an accepted quote from You.

2 The Contract

2.1 Our contract with You will comprise Our express written order, these Terms, anything else We expressly agree under section 2.2, any content imposed by law, but nothing else.

2.2 If You want Us to accept a term of Yours, or accept a particular responsibility, or if You wish to rely on a representation We have made, You must obtain our express agreement; that means express written agreement, signed by a director or other senior officer of the Company and referring expressly to these Terms. We will deal with You in reliance on these Terms, so be aware that our acceptance of contractual performance by You does not imply acceptance of any terms that are different to our Terms. You must indemnify Us against any consequence of Your seeking to rely on any contractual terms, or any statement, understanding or representation which is not contractually agreed as set out in this section 2. For purposes of this section, written agreement can be communicated by pre-paid post or e-mail.

2.3 If any of the terms of the contract conflict with or contradict each other those terms will over-ride each other in the following order of priority: (1) any express written agreement from Us; (2) Our order; (3) these Terms.

2.4 We are not contractually bound until we place a formal order and then only to the extent of the issues specifically covered by that order or in writing signed by a director. We will only be contractually bound to You when You accept our order with a formal order acknowledgement in writing or (if later)

when we accept Performance by You (see below).

3. Variations

3.1 We shall have the right before delivery of Goods or commencement of Services to issue You with written notification of variation of this Purchase Order. Any such variation shall take precedence over the Purchase Order, and delivery of Goods or commencement of Services by Yourself shall be taken to imply acceptance of any applicable variation.

3.2 If You are unable to accept a variation to the Purchase Order You shall immediately notify Us in writing and this Purchase Order and Contract shall be deemed cancelled under the provisions of Clause 11.

4. Price

4.1 The price of the Deliverables will be as stated in our order and, unless otherwise stated, will be:

4.1.1 Exclusive of any applicable VAT (which will be payable by Us subject to receipt of a valid VAT invoice).

4.1.2 Inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery, unloading, commissioning or performance of Deliverables to or at the delivery address, and of any duties, levies, royalties or other such sums (to whomsoever payable) other than VAT and shall bear the risk of any damage or defects arising in transit.

3.0.3 Payable in pounds sterling.

3.0.4 Fixed for the duration of the Contract.

4.2 We shall be entitled to any discount for prompt payment, bulk purchase or the like normally granted by You in comparable circumstances.

4.3 If we will be reliant on You for any supplies of maintenance, training, spare parts, consumables or other goods, rights or services to benefit fully from the Deliverables ("Follow-on Deliverables") then You will provide those Follow-on Deliverables or procure them to be provided, for at least 36 months following full Performance, at fair and reasonable prices which take no advantage of our dependence on You for their supply.

5. Time

5.1 The Goods shall be delivered not later than the date specified on this Purchase Order.

5.2 Time of delivery of the Goods and commencement and completion of the Services is of the essence of the Contract.

6. Payment

6.1 Invoices for the Deliverables may be sent to Us on, or after, completion of Performance (as defined in Clause 7). Each invoice must quote the full relevant Purchase Order Number. No sum may be invoiced more than six months late.

6.2 Unless otherwise stated in the order, we will pay the contract price within 30 days of the end of month in which we receive the invoice.

6.3 We shall not be responsible for any delays in payment arising from failure to comply with these

invoicing instructions.

6.4 Payment by Us shall be without prejudice to any rights or remedies available to Us under this Contract, or otherwise, and shall not constitute any binding admission by Us as to the suitability, quantity, quality or fitness for purpose of Goods received or satisfactory performance and completion of the Services by You.

6.5 We will be entitled to set off against the price any money owed to Us by You.

7. Specification and Quality

7.1 An order for Goods, unless otherwise stated, is deemed to include the supply of all relevant documentation and certification, and of any commissioning and/or training related to those goods, necessary to enable the Company to use them for their intended purposes.

7.2 An order for Services, unless otherwise stated, includes the complete performance of those services including any employee instruction, manuals, explanations or certifications necessary to enable the Company to benefit from them for their intended purposes. Specifically:

7.2.1 You shall at all times perform the Services with all due skill, care and diligence including, but not limited to, industry best practice and in accordance with Your own established internal procedures.

7.2.2 You shall at all times make available sufficient personnel and all other resources as are required for the successful and timely completion of the Services. Sub-contractors shall not sub-let or assign work comprised in this order, of any part thereof without our written consent.

7.2.3 The Services shall at all times be supplied by appropriately supervised, experienced, qualified, trained and competent personnel.

7.3 An order for Goods or Services, unless otherwise stated, includes any legal rights necessary to Use those Goods or Services for their intended purposes; see Sub-Clause 9.5. References in these Terms to "Performance" are to complete performance of all Your contract obligations as described in these Terms.

7.4 The Goods and Services supplied under this Contract shall be to Our satisfaction and shall conform in all respects with the particulars of this Purchase Order or any associated specification and these Terms or as agreed by Us in writing, subject to which then in full accordance with Your representations; see Sub-Clause 9.1. Specifically the Goods and Services shall:

6.3.1 Be fit for any purpose made known to You expressly or by implication and in this respect We rely on Your skill, judgement and experience.

6.3.2 Be of satisfactory quality.

6.3.3 Be entirely safe when in use and properly operated. The Goods, whether supplied or used in connection with a Service must conform to all relevant British and European standards and/or legislation.

6.3.4 Be new (unless otherwise specified on the Purchase Order).

6.3.5 Correspond with their description on any samples, patterns, drawings, plans, quotes and specification.

7.5 You have sole responsibility for complying with all applicable regulations and other legal and regulatory requirements concerning performance of the contract, and for ensuring that we can, in compliance likewise, fully utilise the Deliverables for their intended purposes

7.6 We will be allowed to inspect any contract goods during (and Your premises for) manufacture and

storage so long as we request an inspection by reasonable notice. If, as a result of the inspection, we are not satisfied that the quality of the goods or the standards of their manufacture, storage or handling conforms with the contract, You will take such steps as are necessary to ensure compliance. If, after that, we are still not satisfied we can cancel the contract without penalty.

7.7 If, before Performance has occurred in the relevant respect, we notify You in writing of any change in desired specification (including as to quality and time frame) You will respond as follows. We appreciate that a change may affect the contract price, or may even be unachievable. If the change would reduce Your costs, the contract price will reduce to fairly reflect that saving. If the change would increase Your costs You may notify Us promptly, in writing, of a proposed revision of the contract price fairly and proportionately reflecting any unavoidable such increased cost: You and we will then Use our reasonable efforts to agree the revised terms in full, including as to price, pending which the contract variation will not take effect. If the change would for any reason be unachievable You may notify Us of that promptly and in writing, with reasons: again, both parties will then Use reasonable efforts to reach a mutually acceptable contract variation. Failing notice under one of the two preceding sentences our proposed change will be deemed to have been accepted, and the contract will be deemed to have been varied with immediate effect to reflect the requested specification change with no price increase. What amounts to "prompt" notice for this purpose will depend on feasibility for You and urgency for Us, but not in any case later than 48 hours (excluding hours of days which are Saturdays, Sundays or are recognised bank holidays in England) from our notice of proposed change. In no event, agreed or not, will we be liable to You in respect of any contract variation for more than a reasonable and proportionate reflection of such increased costs as You could not reasonably have been expected to avoid. The contract price will not in any circumstance increase except with our express written agreement under, or referring explicitly to, this sub-section.

7.8 We may need, sometimes urgently, information as to precisely how Deliverables were performed, and as to all relevant activities of any suppliers or sub-contractors of Yours. You will meet any reasonable such request as soon as reasonably possible, and will keep records adequate for that purpose for at least two years after completion of Performance. Without limitation, these records must provide full traceability for all goods comprised in, or used in making, any contract goods which are in any respect safety-critical. They must also demonstrate compliance of the contract work with all legal or regulatory requirements and with all contractually binding quality and Performance standards.

7.9 You will comply with any reasonable requirements we may have as regards the packaging and packing of any contract goods, and as to information to be displayed on packaging or included on dispatch documentation and bills of lading. Subject to that, You will ensure that all packaging, packing, labelling and documentation is such as to ensure full compliance with legal requirements throughout the scheduled delivery process.

8. Delivery, Inspection, Acceptance, Rejection and Risk

8.1 Goods will be delivered to, and any services performed at, the address and on the date stated in the order, or else under section 8.2, during usual business hours.

8.2 If we specify the date or delivery address after ordering, we will give You reasonable notice of the details. Failing a date, supply will be as soon as reasonably possible.

8.3 The date of delivery of any goods or rights, and the performance of any services, will be of the essence of this contract.

8.4 A packing note quoting the number of the order must accompany each delivery or consignment of

goods and must be displayed prominently.

8.5 Where Deliverables are to be supplied in instalments, the contract is still to be treated as a single contract. If You fail to deliver or perform any instalment we may treat the whole contract as repudiated.

8.6 We shall inspect the Goods and may, within a reasonable time of delivery, issue a written notice to You, rejecting all or part of any Goods which fail to meet the requirements of this Contract. Acceptance does not occur until we have had a reasonable time to inspect or consider the relevant Deliverables following supply and, in the case of latent defect, a reasonable time after the defect becomes apparent.

8.7 If the Goods are rejected You shall remove them at Your own expense within five working days of notification and shall within a reasonable period, replace the Goods or refund Us in respect of the value of the Goods. A detailed delivery note must accompany all goods.

8.8 For the avoidance of doubt Our signature on Your delivery note shall signify delivery rather than inspection and acceptance of the Goods.

8.9 We will not be bound to return to You any packaging or packing material, but if any relevant requirement for packaging recycling applies, You will take materials back free of charge on request.

8.10 If any Deliverables are not supplied on or by the agreed date then, in addition to any other remedies available to Us, we will be entitled to deduct 10% of the overall contract price for those Deliverables, for every week's delay.

8.11 Risk of damage to or loss of any goods passes to Us on delivery.

8.12 Property and ownership of any goods will pass to Us on delivery unless we have paid in whole or in part for the goods in advance. In that case it will pass to Us as soon as the goods have (or, if goods are being assembled for Us, each successive component of the goods has) been appropriated to the contract.

8.12 If we supply any articles to You, e.g. for modification or copying, they remain Our property at all times. Those articles must be kept confidential and secure and We can enter Your premises at any time on reasonable notice to ensure that this is so. While those articles are in Your custody You must not use them, copy them or disseminate them, electronically or otherwise, except in the performance of Our contract. We retain copyright and any other available intellectual property rights in any plans, design drawings, computer programs, compilations of data, specifications or the like which we supply to You. You must indemnify Us against any loss caused to Us, and account to Us for any profit which You make, through breach of this provision.

8.13 If any Performance occurs on our premises this sub-section will apply. You will ensure that best industry standards are adopted for the health and safety both of Your personnel and of any other individuals affected by Your actions. We may refuse or terminate access to any individual whom we reasonably consider undesirable to have on our premises. Your personnel must, while on our premises, comply with Our reasonable requirements as to security, health and safety routines, times and areas of access, and otherwise. You will be responsible to Us on a full indemnity basis for all damage and injury caused by Your staff.

8.14 Any goods provided by Us to You on a free issue basis will remain our absolute property throughout, and will be at Your risk while the goods are, or are supposed to be, in Your possession. You are not to part with possession (save to Us) unless with our express prior consent.

9 Warranty, Indemnity and Liability

9.1 You promise that:

9.1.1 the quantity, quality, description and specification for the Deliverables will be those set out in our order, apart from which then of the best standards reasonably to be expected in the market for that kind of Deliverable; and

8.0.2 any goods will be free from defects in materials and workmanship; and

8.0.3 any Deliverables will comply with all statutory requirements and regulations, and with all normally applicable quality standards, relating to their sale or supply; and

8.0.4 all claims made by You about any Deliverables, and all apparently serious claims in Your advertising and promotional material, are correct and can be relied upon; and

8.0.5 any services will be performed by appropriately qualified and trained personnel; and

8.0.6 neither the sale and supply of any Deliverable, nor its proper use by Us for an intended purpose, will breach any property rights in or about that Deliverable, including intellectual property rights, of any other person.

9.2 All warranties, conditions and other terms implied by statute or common law in our favour will apply to any Deliverables bought from You.

9.3 You will indemnify Us and keep Us indemnified immediately upon our written demand against any cost, losses, damage, claim, expense, liability, injury or death arising from any risk caused by or arising from, either directly or Indirectly, for which You are responsible under this contract.

9.4 You shall fully indemnify Us against any expenses arising from any alleged or actual infringement of any Proprietary Right including papers, trademarks, copyrights, intellectual or any of the rights howsoever arising from this Contract.

9.5 It is Your responsibility to find out from Us the purposes that we intend the Deliverables to be put to (including any applicable deadline affecting Us). You promise that they will be suitable for those intended purposes, save only for any unsuitability which You have, as soon as might reasonably have been expected of You (and in any case before starting Performance) expressly notified to Us.

9.6 If You fail to comply with any obligation under the contract we will be entitled, at our discretion, to reject any Deliverable and You will not be entitled to receive payment for that Deliverable.

9.7 If any contract goods do not comply with all contract requirements we can demand that You repair them or supply replacement goods within seven days or, at our sole discretion, we can reject the goods and demand the repayment of any sum already paid for them

9.8 We, our employees or agents shall in no circumstances be liable to You for any delay or failure to perform any of our obligations or for any loss of profits or indirect consequential loss howsoever arising from this Contract.

9.9 If any contract goods or rights were bought or obtained by You from a third party then any benefits or indemnities that You hold from that other party, in respect of those items, will be held on trust for Us.

9.10 You shall maintain satisfactory insurance cover with a reputable insurer in respect of all normal insurance risks relevant to Your work for or with Us, on terms and for amounts consistent with normal business prudence. You will demonstrate to Us the terms and currency of any such insurance on request.

9.11 Where this order relates to work executed by a subcontractor, the sub-contractor shall effect and maintain the following insurances:

9.11.1 Employers Liability insurance of at least £10,000,000 covering liability at law for damages,

claims, costs and expenses in respect of death, injury or disease.

9.11.2 Third Party insurance (including fire and explosion) with an indemnity of at least £5,000,000 in respect of any one claim or number of claims to be unlimited in any one period of insurance.

9.11.3 The sub-contractor shall forward the policies for these insurances for examination to Parkwood Leisure, Attwood House, Perdiswell Park, Droitwich Road, Worcester, WR3 7NW, within one week of this order.

10 Rights

10.1 Any rights which You are contracted to supply must be provided to Us in accordance with sections 10.2 or 10.3 as applicable.

10.2 This sub-section will apply to the following types of contract right: where the contract expressly identifies particular rights as covered by it; where the rights in question are evidently not unique to Our Deliverable (for instance You evidently supply the same thing, in the relevant respect, to others); or if those rights evidently derive from a third party of whom the same would be true (for instance You supply software on what You have told Us is a proprietary third party platform). In those cases we are not to expect full ownership of those rights. You will however validly licence those rights to Us, or procure them to be validly licensed to Us, on the following terms: assignable; royalty-free; covering usage for any likely intended purpose; and free of any obligation on us save such as we expressly agree in the contract or as are the minimum reasonably necessary for the maintenance of the right in question.

10.3 This sub-section will apply to all contract rights to which section 10.2 does not. In that case You will transfer to Us, or procure to be transferred to Us, with full title guarantee the ownership of those rights to the full extent (including as to territory) that we reasonably need them for our intended purposes, and to the full extent of any wider rights available to You. You will execute any documents and make any declarations reasonably required by Us, now or in future, to transfer those rights, You will not exploit those rights save for Us or with our written consent, and You will (to the extent not yet legally transferred) hold all such rights on trust for Us absolutely for the maximum permitted period of eighty years. We have Your irrevocable power of attorney to execute any such documents and make any such declarations on Your behalf if You fail to do so promptly on request.

10.4 If You carry out any development work at our request and wholly or primarily at our expense we will own all intellectual property rights generated by that work, and section 10.3 will apply to those rights.

10.5 You will do anything reasonably required by Us, during or after Performance, to perfect any transfer or licence of rights to Us under this section or to assist Us in registering or authenticating (but not at Your cost enforcing or defending) those rights.

11 Termination and Cancellation

11.1 If goods have been offered by You as, or if they are, standard or stock items we can, by notice to You, at any time up to delivery cancel our commitment to buy them. Any other commitment of ours to receive and pay for Deliverables may be cancelled by Us as follows. We will be bound to reimburse You for all irrecoverable costs incurred, or unavoidably committed, by You up to the point of cancellation but excluding loss of profit. By "costs" is meant for this purpose the direct costs to You of Performance, to an aggregate amount not exceeding 20% of the purchase price for the cancelled commitment. We will be entitled, if we wish it, to the benefit of the part-finished Deliverables in question.

11.2 We may suspend performance of, cancel, or suspend and then at any subsequent time cancel, the

contract without any liability to You if You breach its terms, or if Your business fails.

11.3 Your business will be treated for this purpose as having failed if:

11.3.1 You make any voluntary arrangement with Your creditors;

11.3.2 (being an individual or firm) You become bankrupt;

11.3.3 (being a company) You become subject to an administration order or go into liquidation;

11.3.4 any third party takes possession of, or enforces rights over, any of Your property or assets under any form of security ;

11.3.5 You stop or threaten to stop carrying on business;

11.3.6 You suffer any process equivalent to any of these, in any jurisdiction; or

11.3.7 we reasonably believe that any of the events mentioned above is about to occur and we notify You accordingly.

11.4 Any right of cancellation or suspension under this section is additional to any rights available to us under the law of any relevant jurisdiction.

12 Waiver

12.1 Failure on Our part at any time to enforce any provision of this Contract shall in no way affect Our rights at a later date to require performance of the Contract nor shall a waiver of any breach be taken or held to be a waiver of any subsequent breach of any provision nor shall any toleration shown by Us to imply any waiver or compromise of our rights.

13 Gifts and Inducements

13.1 You shall not give or offer to any of Our staff, employees or agents, any gift or inducement whatsoever in relation to this or any other Contract between Us.

14 Confidentiality

14.1 You will keep strictly confidential all information which You learn about Us or our customers, and use that information only for the performance, in good faith, of Your contractual obligations to Us. By way of illustration only, You may not use such information to help our competitors, poach our staff or disparage our reputation. This restriction will apply until the fifth anniversary of the contract date, and does not apply to information which was demonstrably public knowledge at the time of usage by You.

15 Enforcement

15.1 Our relationship is as independent contractors only, not as partners or as principal and agent. The contract is non-assignable by You. It is assignable by Us only to a group company, that is a company in the same ultimate beneficial ownership. You may sub-contract or delegate Performance in particular respects but not generally and not as regards Your responsibility to Us, nor Your direct contact with Us, in any respect.

15.2 You will procure that none of Your associates behaves in a way which, had the behaviour been Yours, would have breached the contract. We hold the contract on trust for ourselves and all associates of ours, and the contract is made for the benefit of all of them so that You will be liable for damage caused to our associates as well as ourselves. Our respective associates for this purpose are any parent company or

ultimate controlling shareholder and any company owned by either.

15.3 If any provision of these Terms is held by competent authority to be invalid or unenforceable in whole or in part the validity of the other Terms and of the remainder of the provision in question will not be affected. Every provision is severable from every other.

16 Notices

16.1 Any written notice under these Terms will be deemed to have been sufficiently served if posted by pre-paid official postal service, or if sent by fax then on receipt of successful answerback, or if sent by e-mail (but in this case only on evidence of successful transmission and only if the parties have regularly communicated on contract matters by that e-mail route).

17 Governing Law

17.1 The contract will be governed by the law of England and Wales, and You submit to the non-exclusive jurisdiction of the English and Welsh courts.

