

HIRE PURCHASE AGREEMENT – STANDARD TERMS & CONDITIONS

1. DEFINITIONS

1.1 In the Agreement:

Agreement means the agreement constituted by the Schedule and these Standard Terms and Conditions.

Break Costs means any Loss suffered, incurred or paid by the Owner in liquidating, cancelling or re-allocating all and any loans, deposits or other funding obtained by the Owner in connection with the Equipment.

Business Day means a day (other than a Saturday or Sunday) when financial institutions in London are generally open for banking business.

Certificate of Acceptance means the certificate, in the form attached at the Appendix hereto, given or to be given by the Hirer to the Owner.

Commencement Date means the date specified as such in the Schedule.

Conditions Precedent means each of the conditions specified as such in the Further Conditions Schedule.

Default means an Event of Default or any condition, act or event which is or may become (with the giving of notice, lapse of time, making of any determination, fulfilment of any condition or any combination of the foregoing) an Event of Default.

Default Rate means 5% per annum over Bank of England base rate.

Document Fee means the document fee specified in the Schedule.

Equipment means the equipment specified in the Schedule of Equipment and where such equipment comprises multiple items of equipment, references to "Equipment" shall be construed as references to all or any individual item of equipment and any replacement equipment as the context so permits.

Event of Default means any event or circumstance specified as such in clause 15.1.

Fees means the fees (if any) specified in the Schedule.

Further Conditions Schedule means the further conditions schedule set out in the Schedule.

Guarantor means the person(s) specified as the provider of any guarantee specified in the Conditions Precedent.

Hire Charges means the hire charges specified in the Schedule.

Hire Period means the hire period specified in the Schedule.

Hirer means the hirer specified in the Schedule.

Holding Company means, in relation to any company or corporation, any other company or corporation in respect of which it is a Subsidiary.

Indemnitee means the Owner and its Holding Companies, Subsidiaries, affiliates, successors, assignees, transferees, directors, officers, servants, agents and employees.

Initial Deposit means the initial deposit specified in the Schedule.

Insurances means all policies and contracts of insurance or such other insurance arrangements which are required to be effected by the Agreement or, where the context permits, are from time to time entered into in respect of the Equipment.

Insurers means the underwriters or insurance companies by which the Insurances are effected.

Location means the location (if any) specified in the Schedule of Equipment.

Loss means any loss, demand, liability, obligation, claim, action, proceeding, penalty, fine, damage, adverse judgment, order or other sanction, fee and out-of-pocket cost and expense (including any legal fee and related out-of-pocket cost and expense).

Net Proceeds means the gross proceeds of sale of any item of Equipment excluding any VAT and after deduction of all costs and expenses incurred by the Owner in repossessing, transporting, storing, insuring, selling, maintaining and repairing the Equipment.

Option to Purchase Fee means the option to purchase fee specified in the Schedule.

Owner means Dawsongroup Finance Limited (company number 03345518).

Payment Date means each date for payment of the Hire Charges specified in the Schedule.

Redelivery Location means the Location (or such other place for the redelivery of the Equipment as may be required by the Owner).

Schedule means the schedule to which these terms and conditions are attached.

Schedule of Equipment means the schedule of Equipment set out in the Schedule.

Security Interest means any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement having similar effect.

Special Condition means each of the conditions (if any) specified as such in the Further Conditions Schedule.

Standard Terms and Conditions means these Standard Terms and Conditions.

Sterling and £ means the lawful currency of the United Kingdom from time to time.

Subsidiary has the meaning given to such term in section 1159 of the Companies Act 2006.

Supplier means the supplier specified in the Schedule of Equipment.

Supply Contract means any supply contract in relation to the Equipment between the Supplier and the Owner.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Termination Sum means an amount equal to the aggregate of:

- (a) all arrears of Hire Charges together with all other amounts which are due (but unpaid) pursuant to the Agreement together with interest thereon at the Default Rate;
- (b) as compensation for the Owner's financial loss, by way of additional Hire Charges, an amount in respect of the Equipment which is equal to all Hire Charges which would have been due and payable (but for the relevant termination or Total Loss) from the date of such termination or Total Loss to and including the last day of the Hire Period by effluxion of time, each discounted from its due date to the date of actual payment at 2% per annum;
- (c) any Losses suffered by any Indemnitee which may be incurred under any financing, unwinding of any interest swap, forward interest rate agreement or other hedge agreement (including any Break Costs related thereto) in connection with the funding of the letting of the Equipment; and
- (d) any costs and expenses incurred by the Owner in locating, repossessing, recovering or restoring the Equipment, or in insuring, maintaining, storing and keeping safe the Equipment.

Total Loss means, in relation to any item of Equipment, an actual or constructive or arranged total loss as a result of such Equipment being lost, destroyed, stolen, confiscated, damaged beyond economic repair or otherwise rendered unfit for use or unable to be used and the date of such Total Loss shall be the date of the loss, destruction, theft, confiscation or damage beyond economic repair or, if later, the date it is declared by the Insurers or otherwise adjudged by such Insurers to be a total loss

VAT means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

1.2 Any reference in the Agreement to:

- (a) "the Agreement" or to any other agreement or document shall, unless the context otherwise requires, be construed as a reference to the Agreement or such other agreement or document as the same may from time to time be amended, varied, supplemented, novated or replaced
- (b) the "assets" of any person includes all or any part of its business, operations, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital the "Owner" includes its successors and assigns;
- (c) the "Owner" includes its successors and assigns;
- (d) a "clause" or "Appendix" is a reference to a clause or the appendix to of these Standard Terms and Conditions;
- (e) "including" or "includes" means including or includes without limitation;
- (f) "indebtedness" includes any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (g) a "month" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day which is not a Business Day, it shall end on the next Business Day;
- (h) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing; and
- (i) a provision of law is a reference to that provision as amended or re-enacted (unless otherwise expressly stated); a "regulation" shall be construed so as to include any regulation, rule, official directive, requirement, international convention, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organization

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- 1.3 In the Agreement, words importing the plural include the singular (and vice versa) and section and clause headings are for ease of reference only.
- 2. HIRING OF THE EQUIPMENT**
- 2.1 The Owner shall let the Equipment, and the Hirer agrees to take the Equipment on hire, upon and subject to the terms and conditions of the Agreement.
- 2.2 The hiring of the Equipment shall commence on the Commencement Date and shall continue for the Hire Period, unless terminated earlier in accordance with the terms of the Agreement.
- 2.3 Subject to the terms of the Agreement, the Hirer shall, throughout the Hire Period, be entitled to hold and use the Equipment without interference from the Owner.
- 2.4 The obligation of the Owner to let the Equipment under the Agreement is subject to (i) the Owner having received payment of all Fees and satisfaction of the Conditions Precedent, (ii) no Total Loss having occurred and (iii) no Default having occurred or which would arise by reason of the commencement of the hiring of the Equipment.
- 3. DELIVERY OF THE EQUIPMENT**
- 3.1 All risk of loss of or damage to the Equipment shall as between the Owner and the Hirer pass to the Hirer when such risk passes from the Supplier under the terms of the relevant Supply Contract.
- 3.2 Delivery of the Equipment by the Owner to the Hirer, and acceptance thereof by the Hirer, under the Agreement shall be deemed to take place immediately upon delivery of the Equipment by the Supplier to, and its acceptance by, the Hirer under the Supply Contract. The Owner hereby appoints the Hirer to be its agent to accept delivery of the Equipment from the Supplier. The Hirer shall immediately before delivery of the Equipment from the Supplier satisfy itself that the Equipment is complete, in good working order, of satisfactory quality, fit for the purpose for which it is required and acceptable in every respect. If it is so satisfied, the Hirer shall accept delivery of the Equipment from the Supplier. The Hirer shall not be entitled for any reason to refuse to accept delivery of any item of Equipment once title in the Equipment has passed to the Owner under the Supply Contract.
- 3.3 Immediately following such delivery and acceptance by the Hirer, as agent, the Hirer shall deliver to the Owner a Certificate of Acceptance, duly signed by the Hirer, which shall be conclusive evidence that the Equipment has been accepted under the Supply Contract and the Hirer has taken delivery of, and unconditionally accepted, the Equipment for the purposes of the Agreement and found such Equipment to be complete, in good working order, of satisfactory quality, fit for the purpose for which it is required and acceptable in every respect.
- 3.4 The Hirer shall arrange and be responsible, at its own cost, for the delivery of the Equipment and (if applicable) for the commissioning and testing of the Equipment and shall indemnify the Owner on demand with respect to any Loss suffered, incurred or paid by the Owner in connection therewith.
- 4. TITLE**
- Until such time as title to the Equipment may have passed to the Hirer under clause 19, the Equipment will belong to the Owner (or the Owner's financier or any principal for whom the Owner is acting as agent) and title and ownership to the Equipment shall remain vested in the Owner or such other person. The Hirer acknowledges that it has no right, title or interest in and to any part of any item of Equipment except the right to hire the Equipment and to purchase the Equipment in accordance with the Agreement.
- 5. DISCLAIMERS AND EXCLUSIONS**
- 5.1 The Hirer and the Owner agree that there is a risk that the Equipment may not perform as expected and may not be satisfactory. The Hirer and the Owner agree that such allocation of risk is a matter of agreement between them and have agreed that the Hirer shall bear the risk on the terms set out in the Agreement.
- 5.2 The Hirer acknowledges that:
- (a) the Owner is not the original manufacturer or supplier of the Equipment;
- (b) the Equipment was selected by the Hirer;
- (c) the condition of the Equipment on delivery to the Hirer under the Agreement is the sole responsibility of the Hirer;
- (d) each item of Equipment is satisfactory to the Hirer and suitable for the business of the Hirer and any intended use of each item of Equipment by the Hirer; and
- (e) the Owner has purchased the Equipment solely for the purpose of hiring the Equipment to the Hirer pursuant to the Agreement.
- 5.3 No term, condition, warranty or representation of any kind whatsoever (express or implied) is or has been given by or on behalf of the Owner in respect of the Equipment. All terms, conditions, warranties and representations (express or implied and whether statutory, collateral hereto or otherwise) relating to the Equipment, its specification, age, quality (satisfactory or otherwise), description or as to its fitness for any purpose are hereby expressly excluded.
- 5.4 The Hirer acknowledges that no person (including any Supplier) not actually in the employ of the Owner is or is deemed to be the agent or entitled to act on behalf of or make any representation or warranty binding on the Owner.
- 5.5 No Indemnitee shall be liable (in contract, tort or otherwise) for any Loss of any kind arising directly or indirectly in connection with the Equipment or from any delay in delivery of, or failure to deliver, the Equipment, any defect or deficiency in, or inadequacy or unsuitability of, the Equipment or its use, performance, servicing or repair or from any act or omission (negligent or otherwise) of any Indemnitee, its servants or agents, provided that nothing contained herein shall exclude any liability of any Indemnitee for (a) death or personal injury caused by that Indemnitee's negligence to the extent that such exclusion is prohibited by statute and (b) a breach by the Owner of any express obligation of the Owner under the Agreement. Furthermore, no Indemnitee shall have any obligation to supply to the Hirer any replacement for any item of Equipment that is, either on delivery or thereafter, defective, lost, damaged, unusable or unavailable for any reason and the Hirer shall not be entitled to any rebate of, or be released from any obligation to pay, Hire Charges or any other payments hereunder by reason thereof.
- 5.6 If notwithstanding this clause 5, the law requires terms to be implied into the Agreement, the Hirer and the Owner agree that the Owner shall not be liable for any breach of such terms on the basis that, such allocation of risk has not been agreed between the Hirer and the Owner and, had the Owner agreed to bear such risk, the increased risk of the Owner would have been reflected in increased Hire Charges, failing which the Owner would not have entered into the Agreement.
- 5.7 If the Hirer does not obtain direct from the Supplier or manufacturer express warranties in relation to the Equipment, the Owner will (upon the Hirer's request and at the Hirer's cost) transfer as far as is reasonably possible the benefit of any manufacturer and/or Supplier warranties given to the Owner in relation to the fitness and performance of the Equipment.
- 6. HIRE CHARGES**
- 6.1 On the Commencement Date, the Hirer shall pay the Initial Deposit and the Document Fee to the Owner.
- 6.2 The Hirer shall throughout the Hire Period pay to the Owner (without demand) the Hire Charges on each Payment Date. No Hire Charges payable in advance shall be repayable or recoverable from the Owner in the event of the termination of the hiring of the Equipment for whatever reason.
- 6.3 If any payment due from the Hirer to the Owner hereunder is not paid on the due date therefor, the Hirer shall, without prejudice to the Owner's other rights and remedies, pay on demand interest thereon at the Default Rate (as well after as before judgment or decree) from and including such due date to the date of actual payment or reimbursement. Such interest shall accrue on a daily basis and be compounded monthly.
- 6.4 All payments of Hire Charges and any other payments due to the Owner under the Agreement shall be made without prior demand in Sterling, in immediately available funds for value on the due date for payment.
- 6.5 Punctual payment of amounts payable by the Hirer and timely performance by the Hirer of each of its obligations hereunder shall be of the essence and are conditions of the Agreement.
- 6.6 Each payment of Hire Charges to be made by the Hirer shall be made by way of direct debit to the Owner.
- 6.7 If any payment falls due from the Hirer hereunder on a day which is not a Business Day, payment shall be made on the following Business Day.
- 6.8 The Hirer's obligation to pay Hire Charges and make other payments in accordance with the Agreement is absolute and unconditional irrespective of any contingency whatsoever including:
- (a) any right of set-off, counterclaim, recoupment, defence or other right which either party may have against the other;
- (b) any unavailability of the Equipment for any reason including any defect in title, merchantability, fitness for purpose, condition, design, or the ineligibility of the Equipment for any particular use or trade, or the Total Loss or any damage to the Equipment;
- (c) any failure or delay on the part of either party, whether with or without fault on its part, in performing or complying with any terms or conditions of the Agreement;
- (d) any insolvency, bankruptcy, administration, reorganisation, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings by or against the Owner or the Hirer; or
- (e) any lack of due authorisation of, or other defect in, the Agreement.
- 7. TAXES AND GROSS UP**
- 7.1 All payments by the Hirer under the Agreement shall be made without set-off or counterclaim whatsoever and free and clear of any Tax, deduction or withholding of any kind save as required by applicable law. If the Hirer is required by law to make any deduction or withholding from any such payment, whether on account of Tax or otherwise, the sum due from it in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Owner receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received had no deduction or withholding been made or been required to be made. The Hirer shall promptly supply the

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Dawsongroup Finance Limited is Registered in England & Wales, Company No. 3345518 | VAT Reg: 818 2841 19

Registered Office: Delaware Drive, Tongwell, Milton Keynes MK15 8JH

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Owner with evidence satisfactory to the Owner that the Hirer has accounted to the relevant authority for any sum deducted or withheld.

- 7.2 The Hirer shall promptly indemnify the Owner from and against any Loss suffered, incurred or paid by the Owner for or on account of Tax in relation to any sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under the Agreement or in relation to the Equipment other than any Tax assessed on the Owner in the jurisdiction in which the Owner's office through which it will perform its obligations under the Agreement is located if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Owner.
- 7.3 The Hirer shall pay and, promptly on demand, indemnify the Owner against any Loss suffered, incurred or paid by the Owner in relation to any stamp duty, registration and other similar Taxes payable in respect of the Agreement or in relation to the Equipment.
- 7.4 If VAT is chargeable on any amount payable under the Agreement, the Hirer shall pay to the Owner (in addition to and at the same time as paying the relevant amount) an amount equal to the amount of the VAT.

8. OTHER INDEMNITIES

- 8.1 The Hirer shall promptly indemnify the Indemnitees against any Loss (including any Break Costs), suffered, incurred or paid by any Indemnitee as a result of or in connection with:
- (a) the occurrence or continuation of any Default, any Indemnitee investigating any event or circumstance which it reasonably believes to be a Default or any accelerated repayment under the Agreement;
 - (b) any failure by the Hirer to pay an amount due under the Agreement on its due date;
 - (c) any breach by the Hirer of any of its obligations under clause 12;
 - (d) the hiring not commencing on the Commencement Date by reason of any of the Conditions Precedent not being satisfied;
 - (e) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorized;
 - (f) the manufacture, description, fitness for purpose, merchantability suitability, quality, state, appearance, safety, durability, value, design, testing, delivery, import, export, registration, ownership, possession, control, use, operation, hiring, sub-hiring, insurance, maintenance, repair, refurbishment, service, overhaul, modification, change, alteration, loss, damage, storage, removal, re-delivery or otherwise of the Equipment;
 - (g) claims that are made on the ground of an infringement of patent or copyright or registered design or other intellectual property right;
 - (h) preventing or attempting to prevent the arrest, confiscation, seizure, taking in execution, impounding, forfeiture or detention of any item of Equipment, or in securing or attempting to secure the release of any item of Equipment;
 - (i) the Total Loss of any item of Equipment; and
 - (j) the enforcement of, or the preservation of any rights under, the Agreement.
- 8.2 If an amount due to any Indemnitee from the Hirer in one currency (the first currency) is received by such Indemnitee in another currency (the second currency), the Hirer's obligations to such Indemnitee in respect of such amount shall only be discharged to the extent that the Indemnitee may purchase the first currency with the second currency in accordance with its normal banking practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Hirer shall indemnify the Indemnitee against the shortfall.

9. REPRESENTATIONS AND WARRANTIES

- 9.1 The Hirer represents and warrants to the Owner that:
- (a) it is a company or limited liability partnership duly incorporated and validly existing in its jurisdiction of incorporation and has full power, authority and legal right to own its property and assets and to carry on its business as such business is now being conducted; it has all legal power and authority to enter into the Agreement and perform its obligations under the Agreement and all action (including any corporate and regulatory action) required to authorise the execution and delivery of the Agreement and the performance of its obligations under the Agreement has been duly taken;
 - (b) the Agreement constitutes the legal, valid and binding obligations of the Hirer enforceable in accordance with its terms;
 - (c) the entry into and performance of the Agreement and the transactions contemplated thereby do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, or (ii) the constitutional documents of the Hirer, or (iii) any agreement or document to which the Hirer is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors to be exceeded;
 - (d) no consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental authority or agency in any relevant jurisdiction or any shareholders, members or creditors of the Hirer is required for or in connection with the execution, validity, delivery and admissibility in

evidence in any proceedings of the Agreement, or the carrying out by the Hirer of any of the transactions contemplated hereby;

- (e) no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Hirer, threatened against the Hirer or its assets which would adversely affect its ability to perform its obligations under the Agreement;
 - (f) all payments to be made by the Hirer under the Agreement may be made by the Hirer free and clear of, and without deduction for, Taxes and no deductions or withholdings are required to be made therefrom;
 - (g) no corporate action, legal proceeding or other procedure or step has been or is about to be taken in relation to (i) a suspension of payments, moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Hirer; (ii) a composition, compromise, assignment or arrangement with any creditor or any member of the Hirer; (iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Hirer or any of its assets; or (iv) the enforcement of any Security Interest over any assets of the Hirer;
 - (h) the obligations of the Hirer under the Agreement rank at least pari passu with all its other present and future unsecured obligations save for any obligations mandatorily preferred by law;
 - (i) no Event of Default has occurred;
 - (j) the most recent audited financial statements of the Hirer (including the audited profit and loss account and balance sheet) were prepared in accordance with the applicable laws and regulations of the jurisdiction of incorporation of the Hirer and generally accepted accounting principles and policies consistently applied and show a true and fair view of the financial position of the Hirer as at the end of, and the results of its operations for, the financial period to which they relate, and as at the end of such period, the Hirer had no significant liabilities (contingent or otherwise) or any unrealised or anticipated losses which are not disclosed by or reserved against in such financial statements and there has been no material adverse change in the business or financial condition of the Hirer since the date of such financial statements; and
 - (k) all financial and other information supplied to the Owner by or on behalf of the Hirer in connection with the Agreement or the matters envisaged therein is true and accurate in all material respects.
- 9.2 The Hirer shall be deemed to repeat each of the representations and warranties contained in clause 9.1 on the Commencement Date and on each date on which Hire Charges are payable by the Hirer if made at each such time by reference to the circumstances then existing.

10. GENERAL UNDERTAKINGS

- 10.1 The undertakings in this clause 10 shall remain in force from the date of the Agreement until all sums outstanding under the Agreement have been paid in full.
- 10.2 The Hirer shall:
- (a) obtain, comply with the terms of, and maintain in full force and effect all authorisations, approvals, licences and consents required by all applicable law and regulation to enable it lawfully to carry on its business and enter into and perform its obligations under the Agreement and to ensure the legality, validity, enforceability and admissibility in evidence of the Agreement;
 - (b) ensure that the Owner's claims against it under the Agreement do and will rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors other than those whose claims are mandatorily preferred as at the date of the Agreement by applicable law;
 - (c) promptly inform the Owner of the occurrence of any Default and any litigation or proceeding, actual, pending or threatened against the Hirer, which if adversely determined, would have an adverse effect on the financial condition or the business or prospects of the Hirer or upon the ability of the Hirer to perform its obligations under the Agreement;
 - (d) without prejudice to the other obligations of the Hirer under the Agreement, at all times comply with the Special Conditions;
 - (e) from time to time at the request of the Owner, promptly provide the Owner with such financial and other information as the Owner may reasonably require;
 - (f) take or procure the taking of all necessary steps to safeguard the Owner's rights in the Equipment and shall not do or permit to be done anything that jeopardises the rights of the Owner in the Equipment or omit to do anything that would prevent those rights from being jeopardised; and
 - (g) prevent any item of Equipment from being removed from its possession and prevent the (or if already occurred, procure the immediate release from) confiscation, distress, execution, impounding, forfeiture, requisition for title or seizure of any item of Equipment.
- 10.3 The Hirer shall not (without the express prior written consent of the Owner):
- (a) create or permit to subsist any Security Interest over the Equipment; or
 - (b) sell, transfer, assign or otherwise dispose of (whether by a single transaction or a number of transactions related or not and whether at one time or over a period of time and whether outright, by a sale and repurchase or sale and leaseback arrangement or otherwise) any interest in all or a substantial portion of its assets; or

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- (c) make (whether by acquisition or otherwise) any alteration to the nature of its business or operations or the business as would constitute a substantial alteration to the general nature of such business or operations taken as a whole as carried on as at the date of the Agreement; or
- (d) pledge the Owner's credit or hold itself out as having any power to sell, charge or otherwise encumber or to sell or dispose of any item of Equipment or any interest therein.
- 11. SUB-HIRING AND POSSESSION OF EQUIPMENT**
- The Hirer shall not sub-hire or otherwise part with possession of the Equipment without the express prior written consent of the Owner (except that the Hirer may deliver possession of the Equipment to a maintenance performer who has been pre-approved by the Owner).
- 12. MAINTENANCE AND OPERATION**
- 12.1 The Hirer shall at its own cost and expense and by its own procurement operate and repair the Equipment whenever required during the Hire Period and it shall pay or procure that there are paid all charges and expenses of every kind and nature whatsoever incidental to its use and operation of the Equipment under the Agreement, including any Taxes.
- 12.2 The Hirer shall during the Hire Period whilst the Equipment is in its possession maintain the Equipment and cause the same to be kept and maintained at all times in a good and safe state of repair, in efficient operating condition and in accordance with:
- (a) best practice consistent with first class operating and management practice; and
- (b) all standards and regulations and all service intervals recommended by the manufacturer of that item of Equipment.
- 12.3 The Hirer shall:
- (a) keep the Equipment at the Location (unless agreed otherwise by the Owner in writing) and shall not take the Equipment outside of the United Kingdom, provided that if the Equipment is a motor vehicle, the Hirer may take such motor vehicle anywhere within the European Union for up to 14 days per trip;
- (b) not cause or permit any item of Equipment to be employed, used or operated in any manner contrary to any law or regulation; and
- (c) procure that each item of Equipment is employed, used or operated in a skillful, careful and proper manner; only for the purpose for which it was designed and in the normal course of the Hirer's business; in accordance with and subject to all instructions issued by the manufacturer of that item of Equipment and any government agency or authority; and in accordance with and subject to all applicable laws and regulations (including, without limitation, the Health and Safety at Work Act 1974).
- 12.4 The Hirer shall during the Hire Period promptly pay all tolls, dues and other outgoings whatsoever in respect of the Equipment (except those which are being contested in good faith).
- 12.5 The Hirer shall not, without the Owner's express prior written consent, make additions, alterations or modifications to, or remove any part of, any item of Equipment save where such addition, alteration or modification is (a) required by applicable law or regulation or (b) intended to improve the performance or safety of that item of Equipment and is approved by the manufacturer of the Equipment. Any addition, alteration or modification to any item of Equipment shall become the property of the Owner free of any Security Interest.
- 12.6 The Hirer agrees not to remove or alter any markings (decals or plates) affixed to the Equipment without the Owner's prior written consent.
- 12.7 The Hirer, upon request, will provide to the Owner a detailed listing of the Equipment by location, including the name and address and contact details for all physical locations where the Equipment is located. The Hirer shall furnish such information within 15 days of such request.
- 12.8 The Hirer shall permit the Owner or its representatives to inspect, value and/or test the Equipment and for this purpose the Hirer authorises or shall procure that the Owner and its representatives are authorised to enter any premises at which the Equipment may from time to time be located. The Hirer acknowledges that the Owner shall be entitled to affix or cause to be affixed to the Equipment plates or other markings as the Owner may reasonably require. The Hirer shall not affix or permit to be affixed any other markings to the Equipment inconsistent with or prejudicial to the rights of the Owner.
- 12.9 The Hirer shall procure that the Equipment remains personal and moveable property even if temporarily annexed to land or buildings. If any item of Equipment becomes fixed to land or buildings, the Hirer shall procure that the owner of, or any other person having an interest in, such land or buildings gives to the Owner a waiver in writing of any right to that item of Equipment and a right to enter onto such land or buildings to remove that item of Equipment.
- 13. INSURANCE UNDERTAKINGS**
- 13.1 The Hirer shall, at its own cost and expense and throughout the Hire Period, keep the Equipment insured in Sterling in accordance with best industry practice:
- (a) against all loss or damage in an amount equal to the new replacement value of the Equipment from time to time;
- (b) against any third party claims and all public liability risks in an amount agreed by the Owner; and
- (c) against such other risks in relation to the Equipment or the Hirer as may be required by law.
- 13.2 The Hirer may be required by the Owner to effect the Insurances on terms and through brokers and with insurance companies or underwriters approved by the Owner. If the Owner is not satisfied with the Hirer's Insurance, the Owner may take out its own insurance at the Hirer's expense and the Hirer shall reimburse the Owner for such amount on demand. No shortfall in any Insurance proceeds shall discharge the Hirer's liabilities under the Agreement.
- 13.3 In addition to the terms set out in clause 13.1, the Hirer may be required by the Owner, throughout the Hire Period, to ensure that the Insurances:
- (a) specify the Owner as sole loss payee on all of the Insurances and name the Owner as additional insured;
- (b) in the case of Insurances against risks referred to in clause 13.1(b), provide that all moneys payable thereunder shall be payable directly to the person who has satisfied such liability, in reimbursement to such person of moneys expended by it in satisfaction of such liability;
- (c) provide that all payments by or on behalf of the Insurers under the Insurances to the Owner are made without set-off, counterclaim, deduction or condition;
- (d) provide that the Owner may make proof of loss if the Hirer fails to do so; and
- (e) provide that the Owner will be given thirty (30) days' prior written notice of the intention of the Hirer or the Insurers to cancel the policy or to alter its terms in any material respect or not to renew the policy or cover on the same terms and no such cancellation of the policy or alteration of its terms in any material respect and no renewal of the policy or cover on the same terms shall occur without the prior written consent of the Owner.
- 13.4 At least ten (10) days before the expiry of any Insurances, the Hirer shall ensure that appropriate instructions for renewal of such Insurances are given. Where the Hirer proposes, on renewal of the Insurances, to make any change to terms or amounts thereof, or to the identity of the Insurer, the Hirer shall notify the Owner of such proposed change at least fourteen (14) days before the expiry of any relevant Insurances. Not less than seven (7) days prior to the renewal of any Insurances, the Hirer shall notify the Owner in writing of the Insurer's notification of renewal of such Insurances (together with a copy of any such notification from the insurers) and, if there has been any change to the amount, terms and conditions of the Insurances, of the amounts, terms and conditions of the renewal.
- 13.5 On effecting or renewing any Insurances, the Hirer shall ensure that the Insurer provides the Owner with copies of all related certificates. Following the occurrence of an Event of Default, the Hirer shall, upon written notice from the Owner, deposit all slips, cover notes, certificates of entry or other instruments of insurance from time to time issued in respect of the Insurances with such person as the Owner shall stipulate. The Owner may contact the Hirer's Insurer and may act as the Hirer's agent to settle any insurance claim concerning the Equipment. The Hirer shall do all things necessary and provide all documents, evidence and information to enable the Owner to collect or recover any sums that at any time become payable in respect of the Insurances.
- 13.6 The Hirer shall comply with the terms and conditions of the Insurances (including the punctual payment of all premiums and other sums payable in relation to the Insurances), and shall not do, consent or permit any act or omission which might invalidate or render unenforceable the Insurances in whole or in part. The Hirer shall not make or agree to any alteration to any Insurances or waive any right relating to any Insurances without the express prior written consent of the Owner.
- 14. TOTAL LOSS**
- 14.1 In the event that any item of Equipment becomes a Total Loss, the Hirer shall immediately notify the Owner in writing and the hiring of the relevant Equipment shall be deemed to have terminated on the date of such Total Loss. If not all of the Equipment is a Total Loss, the Hire Charges payable after such Total Loss date, shall be adjusted pro rata so as to reflect the replacement value of the relevant Equipment which is a Total Loss as a proportion of the replacement value of all Equipment let at such time to the Hirer under the Agreement (excluding any Equipment which has been the subject of an earlier Total Loss).
- 14.2 The Hirer shall ensure that any insurance claim in relation to a Total Loss is made promptly and in accordance with the terms of the Insurance policy and shall not agree to settlement of any claim without the prior written consent of the Owner.
- 14.3 No later than thirty (30) days after the date of the Equipment becoming a Total Loss (or, if earlier, immediately upon receipt by the Hirer of any insurance proceeds in relation thereto), the Hirer shall pay to the Owner the Termination Sum, less any Insurance moneys in respect of such Total Loss which have been received by the Owner at such time. If not all of the Equipment is a Total Loss, the additional Hire Charges payable under paragraph (b) of the definition of Termination Sum shall be adjusted pro rata so as to reflect the replacement value of the relevant Equipment which is a Total Loss as a proportion of the replacement value of all Equipment let at such time to the Hirer under the Agreement. The Hirer shall continue to pay Hire Charges in relation to any Equipment that is a Total Loss until payment of the Termination Sum in relation thereto.

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| Hirers Signature | X | X |
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- 14.4 In respect of any Equipment which has suffered a constructive, arranged or compromised Total Loss, the Owner hereby appoints the Hirer (and the Hirer hereby accepts such appointment) as its exclusive sales agent for the purposes of the sale or scrapping of such Equipment. In acting as the Owner's sales representative, the Hirer will not be entitled to any remuneration or other compensation.
- 14.5 For the avoidance of doubt, the sale of any item of Equipment pursuant to clause 14.4 shall be without prejudice to the Hirer's obligations to continue to pay Hire Charges under the Agreement.
- 14.6 If the Owner receives Insurance moneys following the occurrence of a Total Loss after the Termination Sum has been paid to the Owner in accordance with clause 14.3 (and provided that such proceeds have not already been taken into account in calculating the Termination Sum due under clause 14.3), the Owner agrees to pay to the Hirer by way of rebate of Hire Charges, an amount equal to such Insurance monies received, provided that the aggregate of all amounts payable by the Owner to the Hirer by way of rebate of Hire Charges shall not, in any event, exceed an amount equal to the aggregate of all Hire Charges paid to the Owner under the Agreement.
- 14.7 In the event that any item of Equipment suffers damage not constituting a Total Loss, the Hirer will promptly repair or make good the same in compliance with clause 12. The Owner shall apply any Insurance monies received in respect of such loss or damage in reimbursement to the Hirer of the costs of reinstatement or repairs on completion of the same, provided that such proceeds may be applied first towards payment of any sums then owing (which remain unpaid) by the Hirer under the Agreement.
- 15. DEFAULT**
- 15.1 Each of the events and circumstances set out below is an Event of Default and shall constitute a repudiatory breach of the Agreement:
- (a) The Hirer does not pay on the due date therefor any amount payable under the Agreement;
- (b) The Hirer fails to comply with any provision of clause 13;
- (c) The Hirer fails to comply with any provision of the Agreement (other than as referred to in clauses 15.1 (a) and (b) above) (including failing to comply with any Special Condition) provided that no Event of Default will occur if failure to comply is capable of remedy and is remedied with seven (7) days of the Owner giving notice to the Hirer or the Hirer becoming aware of the failure to comply;
- (d) Any representation or statement made or deemed to be made by the Hirer in connection with the Agreement is or proves to have been incorrect or misleading;
- (e) Any indebtedness of the Hirer is not paid when due or any such indebtedness becomes due and payable prior to its specified maturity as a result of an event of default (however described) or any creditor becomes entitled to declare any such indebtedness due and payable prior to its specified maturity as a result of an event of default (however described);
- (f) The Hirer is unable or admits inability to pay its debts as they fall due, suspends making payment on any of its debts or commences negotiations with any creditor with a view to rescheduling any of its indebtedness or the value of the Hirer's assets is less than its liabilities (including contingent and prospective liabilities) or a moratorium is declared in respect of any indebtedness of the Hirer;
- (g) Any corporate action, legal proceeding or other procedure or step is taken in relation to (i) the suspension of payments, a moratorium of any indebtedness, bankruptcy, winding-up, dissolution, administration or reorganisation of the Hirer; (ii) a composition, assignment or arrangement with any creditor of the Hirer; (iii) the appointment of a liquidator, trustee in bankruptcy, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Hirer or any of its assets; (iv) the enforcement of any Security Interest over any asset of the Hirer; or (v) any analogous procedure or step is taken in any jurisdiction;
- (h) Any expropriation, attachment, sequestration, distress or execution affects any item of Equipment or asset of the Hirer;
- (i) The Hirer suspends or ceases to carry on the business it carries on as at the date of the Agreement or ownership of all or a material part of its assets are transferred to a third party;
- (j) There occurs a change in the ownership or control of the Hirer from that subsisting at the date of the Agreement;
- (k) It is or becomes unlawful for the Hirer to perform any of its obligations under the Agreement;
- (l) The Hirer repudiates the Agreement or evidences an intention to do so;
- (m) There occurs, in the opinion of the Owner, a material adverse change in the financial condition of the Hirer; and
- (n) Any of the events or circumstances specified in this clause 15 occurs in relation to any Guarantor.
- 15.2 If the Hirer fails to comply with any provision of the Agreement, the Owner may take all steps it deems necessary to effect compliance with such provision. The Owner shall not be obliged to take any steps pursuant to this clause 15.2 and shall have no liability as a result of any steps taken.
- 15.3 On and at any time after the occurrence of an Event of Default the Owner may accept the Hirer's repudiation of the Agreement and by notice to the Hirer, terminate the hiring of the Equipment, any purchase option of the Hirer in respect of the Equipment and the consent of the Owner to the possession of the Equipment with immediate effect. If the Commencement Date has not yet occurred, the Owner may terminate the obligation to purchase the Equipment and let the Equipment to the Hirer in accordance with the Agreement.
- 15.4 On termination of the hiring of the Equipment or the obligation to let the Equipment pursuant to clause 15.3, the Hirer shall pay the Termination Sum to the Owner.
- 16. EARLY TERMINATION BY HIRER**
- 16.1 Provided that no Event of Default shall have occurred, the Hirer shall be entitled to terminate the hiring of all of the Equipment pursuant to the Agreement at any time during the Hire Period on giving the Owner not less than thirty (30) days' notice in writing to that effect by:
- (a) paying to the Owner the Termination Sum; and
- (b) returning the Equipment to the Owner in accordance with clause 17.
- 17. RETURN OF THE EQUIPMENT**
- 17.1 On the termination or expiration of the hiring of the Equipment hereunder howsoever occurring (and unless title to the Equipment shall have passed to the Hirer pursuant to the purchase option referred to in clause 19), the Hirer shall, at the risk and expense of the Hirer, return the Equipment to the Owner, together with all books, manuals, service records, registration and other documents relating to it, at the Redelivery Location, free and clear of all liens and in good working and safe condition (reasonable wear and tear only excepted).
- 17.2 Upon the termination or expiration of the hiring of the Equipment hereunder (and unless title to the Equipment shall have passed to the Hirer pursuant to the purchase option referred to in clause 19), the Hirer shall no longer be in possession of the Equipment with the consent of the Owner and the Owner and its agents shall be entitled to recover possession of the Equipment (if not returned forthwith to the Owner pursuant to clause 17.1), and for this purpose shall be entitled to enter upon any premises upon which the Equipment may be located and the Hirer shall indemnify the Indemnitees on demand against any Loss suffered, incurred or paid by the Owner in respect of any damage caused to such premises by any such entry or by the removal of the Equipment.
- 18. SALE OF EQUIPMENT**
- If the hiring of the Equipment is terminated pursuant to clauses 15 or 16 and either the Equipment is returned to the Owner pursuant to clause 17 or the Owner recovers undisputed possession of the same, the Owner shall use reasonable endeavours to arrange a sale of the Equipment and, if a sale is arranged and provided that the Hirer has complied with all of its obligations under the Agreement (including, without limitation, payment of the Termination Sum to the Owner), an amount equal to the Net Proceeds relating to the Equipment shall be paid by the Owner to the Hirer by way of rebate of rental, provided that the aggregate of all amounts payable by the Owner to the Hirer by way of rebate of Hire Charges shall not, in any event, exceed an amount equal to the aggregate of all Hire Charges paid to the Owner under the Agreement.
- 19. PURCHASE OPTION**
- If the Hirer has made all payments and other sums due and payable under the Agreement (including the Option to Purchase Fee) and provided that no Event of Default has occurred, on expiry of the Hire Period by effluxion of time, title to the Equipment as was passed to the Owner by the Supplier under the Supply Contract shall pass to the Hirer without further transfer or document on an "as is, where is, with all faults" basis without any condition, representation, warranty or recourse of any kind whatsoever, express or implied. If any further act or document is required to pass such title, all costs, charges and expenses in connection therewith shall be borne by the Hirer.
- 20. MISCELLANEOUS**
- 20.1 No failure to exercise, nor any delay in exercising, on the part of the Owner, any right or remedy under the Agreement shall operate as a waiver of such right or remedy. No single or partial exercise of any such right or remedy shall prevent any further or other exercise of such right or remedy or the exercise of any other right or remedy. The rights and remedies provided in the Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 20.2 The Owner and the Hirer agree that the Agreement constitutes the entire agreement between them, and supersedes all previous drafts, agreements, arrangements and understandings between them, whether oral or written. Any amendment or waiver of any provision of the Agreement and any waiver of any default under the Agreement shall be effective only if made in writing and signed by the Owner.
- 20.3 A certificate by the Owner as to any sum payable to it under the Agreement shall, in the absence of manifest error, be conclusive for the purposes of the Agreement and prima facie evidence in any legal action or proceeding arising out of the Agreement.
- 20.4 The Owner may apply any credit balance to which the Hirer is beneficially entitled on any account of the Hirer (whether or not then due) with the Owner in or towards satisfaction of any sum due from the Hirer under the Agreement but unpaid and, for this purpose, the Owner may purchase with the moneys

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Dawsongroup Finance Limited is Registered in England & Wales, Company No. 3345518 | VAT Reg: 818 2841 19

Registered Office: Delaware Drive, Tongwell, Milton Keynes MK15 8JH

Version: DGF Hire Purchase T&Cs 11.01.2021

standing to the credit of any such account such other currencies as may be necessary to effect such application (but so that nothing in this clause 20.4 shall be effective to create a charge). The Owner shall not be obliged to exercise any of its rights under this clause 20.4 which shall be without prejudice to and in addition to any right of set-off, combination of accounts, lien or other right to which it is at any time otherwise entitled (whether by operation of law, contract or otherwise).

- 20.5 The Agreement shall be binding upon and enure to the benefit of the Owner and the Hirer and each of their respective successors and permitted assigns. The Owner may, without prior reference to the Hirer, disclose any information about the Agreement, the Equipment, the Hirer or any other person as it thinks fit to any actual or potential assignee, as it may in its sole discretion determine.
- 20.6 The Owner may assign and/or transfer any of its rights and/or obligations under the Agreement. The Hirer shall not, without the express prior written consent of the Owner, assign or transfer any of its rights or obligations under the Agreement.
- 20.7 In the event that any provision of the Agreement shall be declared by any court or other competent authority to be void or unenforceable by reason of any provision of applicable law it shall be deleted and the remaining provisions of the Agreement shall continue in full force and effect.
- 20.8 Save in respect of any Indemnitee, a person who is not a party to the Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of the Agreement.
- 20.9 Any communication to be made under or in connection with the Agreement shall be made in the English language and in writing and may be made by fax or letter. The address, fax number and contact details for the Owner and the Hirer for any communication or document to be made or delivered under or in connection with the Agreement is as set out in the Schedule or any substitute address or fax number as one party may notify to the other by not less than ten days' notice.
- 20.10 Any communication or document to be made or delivered by one person to another under or in connection with the Agreement will only be effective if by way of fax, when received in legible form, or, if by way of letter, when it has been left at the relevant address or seven days after being deposited in the post postage prepaid in an envelope addressed to it at that address.
- 20.11 The Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Agreement.

- 20.12 The indemnities contained in the Agreement in favour of the Owner and each other Indemnitee shall survive any termination or other ending of the Hire Period and any breach of the Agreement or repudiation or alleged repudiation of the Agreement by the Hirer or the Owner. Furthermore, the termination or expiry of the Agreement or any hiring under the Agreement shall not affect any of the Owner's rights and remedies under or in relation to the Agreement or any of the Hirer's obligations arising on or before termination or expiry.
- 20.13 The Hirer shall comply with all applicable laws, statutes, regulations, any guidance issued by a relevant authority or any requirement of the Owner in relation to anti-bribery, anti-corruption, money laundering and data protection (including the requirements of the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007, the Data Protection Act 1998 and the Bribery Act 2010) and in addition, the Hirer will comply with the Owner's "know your customer procedures" as may be notified by the Owner to the Hirer from time to time and the Hirer will provide the Owner with full copies of all items as may be required from the Hirer in order to evidence such compliance with this clause.
- 20.14 Where the Owner has entered into the Agreement as agent for a disclosed or undisclosed principal ("**Principal**"), then it is hereby confirmed that the Principal has appointed the Owner to act as its agent and accordingly, where the context so requires and admits, all terms and expressions and provisions relating to the Owner shall be read and construed on the basis that such terms and expressions and provisions concern and relate to the Principal (acting through the Owner (as its agent)).
- 21. **LAW AND JURISDICTION**
- 21.1 The Agreement is governed by, and shall be construed in accordance with, the laws of England and Wales.
- 21.2 The Hirer irrevocably agrees, for the benefit of the Owner, that the courts of England and Wales shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the Agreement and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 21.3 The submission to the jurisdiction of such courts shall not (and shall not be construed so as to) limit the right of the Owner to take proceedings against the Hirer in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

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