

Terms and Conditions

THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THE PROVISIONS OF CLAUSE 7 (LIMITATION OF LIABILITY).

1. INTERPRETATION

The following definitions and rules of interpretation apply in these Conditions.

1.1 Definitions:

Additional Services	has the meaning given in clause 5.2.
Business Day	a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.
Charges	the charges payable by the Customer for the supply of the Services in accordance with clause 5.
Commencement Date	has the meaning given in clause 2.1.
Conditions	these terms and conditions as amended from time to time in accordance with clause 10.5.
Contract	the contract between the Supplier and the Customer for the supply of Services in accordance with these Conditions.
Control	has the meaning given in section 1124 of the Corporation Tax Act 2010, and the expression change of control shall be construed accordingly.
Customer	the person or firm who purchases Services from the Supplier.
Customer Default	has the meaning set out in clause 4.2.
Daily Rate	has the meaning set out in clause 5.3.1.
Deliverables	the deliverables set out in the Specification and referenced in the Order to be produced by the Supplier for the Customer.
Intellectual Property Rights	patents, models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Order	the Customer's order for the Services as set out in the Customer's Purchase Order.
Purchase Order	the purchase order placed by the Customer in response to (and in receipt of) the Supplier's Specification.
Services	the services, including the Deliverables, supplied by the Supplier to the Customer as set out in the Specification.
Specification	the proposal, description and/or specification of the Services provided in writing by the Supplier (including the fee estimate, the scope of work and any attachments to the Specification (such as the Table)) to the Customer.
Supplier	Engineering CFD Ltd, registered in England and Wales with company number 09821949 whose registered office is at Sheffield Technology Parks Cooper Buildings, Arundel Street, Sheffield, England, S1 2NS.
Table	has the meaning of the table of information attached to the Specification sent by the Supplier to the Customer, which the Customer is required to complete and return to the Supplier.

1.2 Interpretation:

- 1.2.1 Unless expressly provided otherwise in this Contract, reference to legislation or a legislative provision:
- 1.2.1.1 is a reference to it as it is in force as at the date of this Contract; and
 - 1.2.1.2 shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.2.2 Any words following the terms **including, include, in particular, for example** or any similar expression, shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.2.3 A reference to **writing** or **written** includes email.

2. BASIS OF CONTRACT

2.1 The Order shall constitute either:

- 2.1.1 an acceptance by the Customer to purchase the Services in accordance with these Conditions where the Order is placed by a Customer following receipt of the Supplier's detailed Specification; or
- 2.1.2 an offer by the Customer to purchase the Services in accordance with these Conditions where the Order is placed by a Customer which differs from the Supplier's detailed Specification. Under such circumstance, the Order shall only be deemed to be accepted when the Supplier issues a written acceptance of the Order

at which point and on which date, the Contract shall come into existence (**Commencement Date**)

- 2.2 Any samples, drawings, descriptive matter or advertising issued by the Supplier, and any descriptions or illustrations contained in the Supplier's catalogues or brochures, are issued or published for the sole purpose of giving an approximate idea of the Services described in them. They shall not form part of the Contract or have any contractual force.
- 2.3 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.
- 2.4 Any quotation given by the Supplier in the Specification shall not constitute an offer, and is only valid for a period of 50 Business Days from its date of issue.

3. SUPPLY OF SERVICES

- 3.1 The Supplier shall supply the Services to the Customer in accordance with the Specification in all material respects.
- 3.2 The Supplier shall use all reasonable endeavours to meet any performance dates specified by the Customer, but any such dates shall be estimates only and time shall not be of the essence for the Supplier's performance of the Services.
- 3.3 The Supplier reserves the right to amend the Specification if necessary to comply with any applicable law or regulatory requirement, or if the amendment will not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.
- 3.4 The Supplier has no responsibility for any deficiencies, inconsistencies or inaccuracies for any information provided by the Customer in any form, including (but not limited to) the Table and the Purchase Order.
- 3.5 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.

4. CUSTOMER'S OBLIGATIONS

- 4.1 The Customer shall:
 - 4.1.1 promptly provide the information required in the Table on receipt of the Table by the Supplier;
 - 4.1.2 co-operate and provide the Supplier with up to date and accurate information in all matters relating to the Services;
 - 4.1.3 promptly advise the Supplier if any information provided in the Table changes to allow the Supplier the opportunity to advise on whether a further model run is required to be conducted in addition to the initial model run conducted on receipt of the Table;
 - 4.1.4 in the event that the Supplier is required to attend the Customer's premises, office accommodation or other facilities, provide the Supplier, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by the Supplier;

- 4.1.5 provide the Supplier with such information as the Supplier may reasonably require in order to supply the Services (including providing the information required in the Table), and ensure that such information is complete and accurate in all material respects;
 - 4.1.6 obtain and maintain all necessary licences, permissions and consents which may be required for the Services before the date on which the Services are to start; and
 - 4.1.7 comply with any additional obligations as set out in the Specification (including any documents referred to or included within the Specification).
- 4.2 If the Supplier's performance of any of its obligations under the Contract is prevented or delayed by any act or omission by the Customer or failure by the Customer to perform any relevant obligation (**Customer Default**):
- 4.2.1 without limiting or affecting any other right or remedy available to it, the Supplier shall have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations in each case to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;
 - 4.2.2 the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause 4.2; and
 - 4.2.3 the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.

5. CHARGES AND PAYMENT

- 5.1 The Charges for the Services to be delivered shall be set out in the Specification.
- 5.2 In addition to the Charges set out in clause 5.1, the Customer shall be charged at a Daily Rate, if the Supplier, on receipt of a written request from the Customer, is required to do any of the following::
 - 5.2.1 any physical attendances on the Customer in any place (including the Customer's premises, office accommodation and any other facilities requested by the Customer);
 - 5.2.2 undertake any work which falls outside of the Specification (and for the avoidance of doubt, any additional work must be instructed in writing by the Customer); and
 - 5.2.3 a further model run is necessary pursuant to clause 4.1.3.(together, **Additional Services**).
- 5.3 Additional Services shall be charged on the following basis:
 - 5.3.1 charged per day at the daily rate of the individual carrying out the work (**Daily Rate**) and such Daily Rate shall be charged respectively as:

- 5.3.1.1 £750 plus VAT per day for a Senior Engineer; and/ or
 - 5.3.1.2 £500 plus VAT per day for a Junior Engineer.
- 5.3.2 The Supplier's Daily Rate is calculated on the basis of an eight-hour day from 9.00 am to 5.00 pm carried out on Business Days.
- 5.4 The Supplier shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services and/ or the Additional Services including travelling expenses, hotel costs, subsistence and any associated expenses.
- 5.5 The Supplier shall invoice the Customer on completion of the Services and/or the Additional Services except where the Supplier reasonably believes that there may be a Customer Default which may prevent the Supplier from providing the Services and/ or the Additional Services, in which case the Supplier reserves the right to invoice the Customer on the Customer Default becoming apparent for work carried out to date by the Supplier.
- 5.6 The Customer shall pay each invoice submitted by the Supplier:
 - 5.6.1 within 30 days of the date of the invoice;
 - 5.6.2 in full and in cleared funds to a bank account nominated in writing by the Supplier; andand time for payment shall be of the essence of the Contract.
- 5.7 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services and/or the Additional Services at the same time as payment is due for the supply of the Services and/or the Additional Services.
- 5.8 If the Customer fails to make a payment due to the Supplier under the Contract by the due date, then, without limiting the Supplier's remedies under clause 8, the Customer shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause 5.8 will accrue each day at [4]% a year above the Bank of England's base rate from time to time, but at [4]% a year for any period when that base rate is below 0%.
- 5.9 All amounts due under the Contract shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).
- 6. INTELLECTUAL PROPERTY RIGHTS**
- 6.1 All Intellectual Property Rights in or arising out of or in connection with the Services (other than Intellectual Property Rights in any materials provided by the Customer) shall be owned by the Supplier.

6.2 The Customer grants the Supplier a fully paid-up, non-exclusive, royalty-free, non-transferable licence to copy and modify any materials provided by the Customer to the Supplier for the term of the Contract for the purpose of providing the Services to the Customer.

7. LIMITATION OF LIABILITY: THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THIS CLAUSE.

7.1 The Supplier has obtained insurance cover in respect of its own legal liability for individual claims not exceeding £1 million per claim. The Supplier shall maintain its professional indemnity insurance in connection with the Services for a period of 6 years following completion of the delivery of the Services. The limits and exclusions in this clause reflect the insurance cover the Supplier has been able to arrange and the Customer is responsible for making its own arrangements for the insurance of any excess loss.

7.2 References to liability in this clause 7 include every kind of liability arising under or in connection with the Contract including liability in contract, tort (including negligence), misrepresentation, restitution or otherwise.

7.3 Neither party may benefit from the limitations and exclusions set out in this clause in respect of any liability arising from its deliberate default.

7.4 Nothing in this clause 7 shall limit the Customer's payment obligations under the Contract.

7.5 Nothing in the Contract limits any liability which cannot legally be limited, including liability for:

7.5.1 death or personal injury caused by negligence;

7.5.2 fraud or fraudulent misrepresentation; and

7.5.3 breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession).

7.6 Subject to clause 7.3 (No limitation in respect of deliberate default), and clause 7.5 (Liabilities which cannot legally be limited), the Supplier's total liability to the Customer for all loss or damage shall not exceed £1 million.

7.7 Subject clause 7.3 (No limitation in respect of deliberate default), clause 7.4 (No limitation of customer's payment obligations) and clause 7.5 (Liabilities which cannot legally be limited), this clause 7.7 sets out the types of loss that are wholly excluded:

7.7.1 loss of profits.

7.7.2 loss of sales or business.

7.7.3 loss of agreements or contracts.

7.7.4 loss of anticipated savings.

7.7.5 loss of use or corruption of software, data or information.

7.7.6 loss of or damage to goodwill; and

7.7.7 indirect or consequential loss.

7.8 The Supplier has given commitments as to compliance of the Services with relevant specifications in clause 3. In view of these commitments, the terms implied by sections 3, 4 and 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.

7.9 Unless the Customer notifies the Supplier that it intends to make a claim in respect of an event within the notice period, the Supplier shall have no liability for that event. The notice period for an event shall start on the day on which the Customer became, or ought reasonably to have become, aware of the event having occurred and shall expire 12 months from that date. The notice must be in writing and must identify the event and the grounds for the claim in reasonable detail.

7.10 This clause 7 shall survive termination of the Contract.

8. TERMINATION

8.1 Without affecting any other right or remedy available to it, either party may terminate the Contract by giving the other party 7 days' written notice and stating the reason for doing so.

8.2 Without affecting any other right or remedy available to it, either party may terminate the Contract with immediate effect by giving written notice to the other party if:

8.2.1 the other party takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), applying to court for or obtaining a moratorium under Part A1 of the Insolvency Act 1986, being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;

8.2.2 the other party suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business; or

8.2.3 the other party's financial position deteriorates to such an extent that in the terminating party's opinion the other party's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy.

8.3 Without affecting any other right or remedy available to it, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if:

8.3.1 the Customer fails to pay any amount due under the Contract on the due date for payment; or

8.3.2 there is a change of control of the Customer.

8.4 Without affecting any other right or remedy available to it, the Supplier may suspend the supply of Services under the Contract or any other contract between the Customer and the Supplier if:

- 8.4.1 the Customer fails to pay any amount due under the Contract on the due date for payment;
- 8.4.2 the Customer becomes subject to any of the events listed in clause 8.2.2 or clause 8.2.3, or the Supplier reasonably believes that the Customer is about to become subject to any of them; and
- 8.4.3 the Supplier reasonably believes that the Customer is about to become subject to any of the events listed in clause 8.2.1.

9. CONSEQUENCES OF TERMINATION

- 9.1 On termination of the Contract the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has been submitted, the Supplier shall submit an invoice to be calculated on a pro rata basis to reflect the work carried out by the Supplier as at the date of termination, which shall be payable by the Customer immediately on receipt;
- 9.2 Termination of the Contract shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry.
- 9.3 Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Contract shall remain in full force and effect.

10. GENERAL

- 10.1 **Force majeure.** Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under the Contract if such delay or failure result from events, circumstances or causes beyond its reasonable control.
- 10.2 **Assignment and other dealings.**
 - 10.2.1 The Supplier shall not at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Contract.
 - 10.2.2 The Customer shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract without the prior written consent of the Supplier.
- 10.3 **Confidentiality.**
 - 10.3.1 Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party, except as permitted by clause 10.3.2.
 - 10.3.2 Each party may disclose the other party's confidential information:
 - 10.3.2.1 to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of

carrying out the party's obligations under the Contract. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 10.3; and

10.3.2.2 as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

10.3.3 Neither party shall use the other party's confidential information for any purpose other than to perform its obligations under the Contract.

10.4 **Entire agreement.**

10.4.1 The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

10.4.2 Each party acknowledges that in entering into the Contract it does not rely on, and shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation [or negligent misstatement] based on any statement in the Contract.

10.4.3 Nothing in this clause shall limit or exclude any liability for fraud.

10.5 **Variation.** Except as set out in these Conditions, no variation of the Contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

10.6 **Waiver.** A waiver of any right or remedy under the Contract or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under the Contract or by law shall prevent or restrict the further exercise of that or any other right or remedy.

10.7 **Severance.** If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement. If any provision or part-provision of this Contract deleted under this clause 10.7 the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

10.8 **Notices.**

10.8.1 Any notice given to a party under or in connection with the Contract shall be in writing and shall be delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case) or sent by email to the email addresses used when placing the Order unless another address is notified by either party.

10.8.2 Any notice shall be deemed to have been received:

10.8.2.1 if delivered by hand, at the time the notice is left at the proper address;

10.8.2.2 if sent by next working day delivery service, at 9.00 am on the second Business Day after posting; or

10.8.2.3 if sent by or email at the time of transmission, or, if this time falls outside business hours in the place of receipt, when business hours resume. In this clause 10.8.2.3, business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.

10.8.3 This clause 10.8 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any other method of dispute resolution.

10.9 **Third party rights.**

10.9.1 Unless it expressly states otherwise, the Contract does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract.

10.9.2 The rights of the parties to rescind or vary the Contract are not subject to the consent of any other person.

10.10 **Governing law.** The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by, and construed in accordance with the law of England and Wales.

10.11 **Jurisdiction.** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.