

eTEST LIMITED STANDARD TERMS AND CONDITIONS

These Conditions shall apply to all contracts for the supply of Services by eTest to the Customer to the exclusion of all other terms and conditions including any terms and conditions which the Customer may seek to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

The Customer's attention is particularly drawn to the provisions of clause 7.

1. INTERPRETATION

1.1 **Definitions.** In these Conditions, the following definitions apply:

Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in Edinburgh 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 set out in clause 2.2.

Conditions: these terms and conditions as amended from time to time in accordance with clause 11.7.

Contract: the contract between eTest and the Customer for the supply of Services in accordance with these Conditions.

Customer: the person or firm who purchases Services from eTest.

Deliverables: the deliverables (if any) set out in the Order produced by eTest for the Customer or as otherwise agreed to be delivered.

eTest: eTest Limited, a company incorporated in Scotland, (registered number SC309127), having a trading address at eGroup, Tumulus Way, Midmill Industrial Estate, Midmill, Kintore, Aberdeenshire AB51 0TG and having its registered office at Johnstone House, 52-54 Rose Street, Aberdeen AB10 1HA.

eTest Materials: has the meaning set out in clause 4.1(g).

Order: the Customer's order for Services, however constituted (whether as set out in the Customer's purchase order form, the Customer's written or verbal acceptance of a Quotation by eTest, or overleaf, or otherwise as the case may be).

Services: the services, including the Deliverables, supplied by eTest to the Customer as set out in the Specification.

Specification: the description or specification of the Services provided in writing by eTest to the Customer or otherwise agreed between the parties.

Quotation: the quotation (if any) or pro forma invoice provided by eTest to the Customer, either verbally or in writing.

1.2 **Construction.** In these Conditions, the following rules apply:

- (a) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assignees;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- (d) any phrase introduced by the terms **including, include, in particular** or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (e) a reference to **writing** or **written** includes faxes and e-mails.

2. **BASIS OF CONTRACT**

2.1 The Order constitutes an offer by the Customer to purchase Services in accordance with these Conditions. All Services and Deliverables provided by E-Blast are subject to these Conditions unless otherwise agreed.

2.2 The Order shall only be deemed to be accepted at the earlier to occur of eTest issuing written acceptance of the Order or commencing work in performance of the Order at which point and on which date the Contract shall come into existence (**Commencement Date**).

2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of eTest which is not set out in the Contract.

2.4 Any samples, drawings, descriptive matter or advertising issued by eTest, and any descriptions or illustrations contained in eTest's catalogues, brochures or website, 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.

2.5 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 trade, custom, practice or course of dealing.

3. SUPPLY OF SERVICES

- 3.1 eTest shall supply the Services to the Customer in accordance with the Specification in all material respects.
- 3.2 eTest shall use all reasonable endeavours to meet any performance dates specified in the Order, but any such dates shall be estimates only and time shall not be of the essence for performance of the Services.
- 3.3 eTest shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and eTest shall notify the Customer in any such event.
- 3.4 eTest warrants to the Customer that the Services will be provided using reasonable care and skill.

4. CUSTOMER'S OBLIGATIONS

- 4.1 The Customer shall:
- (a) ensure that the terms of the Order and any information it provides in the Specification are complete and accurate;
 - (b) co-operate with eTest in all matters relating to the Services;
 - (c) provide eTest, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by eTest;
 - (d) provide eTest with such information and materials as eTest may reasonably require in order to supply the Services, and ensure that such information is accurate in all material respects;
 - (e) prepare the Customer's premises for the supply of the Services;
 - (f) obtain and maintain all necessary licences, permissions and consents which may be required before the date on which the Services are to start; and
 - (g) keep and maintain all materials, equipment, documents and other property of eTest (**eTest Materials**) at the Customer's premises in safe custody at its own risk, maintain eTest Materials in good condition until returned to eTest, and not dispose of or use eTest Materials other than in accordance with eTest's written instructions or authorisation.
- 4.2 If eTest'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**):

- (a) eTest may without limiting its other rights or remedies 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 to the extent the Customer Default prevents or delays eTest's performance of any of its obligations;
- (b) eTest shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from eTest's failure or delay to perform any of its obligations as set out in this clause 4.2; and
- (c) the Customer shall reimburse eTest on written demand for any costs or losses sustained or incurred by eTest arising directly or indirectly from the Customer Default.

5. CHARGES AND PAYMENT

5.1 The Charges for the Services shall be on a time and materials basis:

- (a) the Charges shall be calculated in accordance with eTest's daily fee rates, or in some instances an hourly rate, as set out in the Quotation;
- (b) eTest's daily fee rates for each individual are calculated on the basis of an eight-hour day between 8.00 am to 5.00 pm worked on Business Days;
- (c) In the event that an hourly rate is charged, the minimum number of hours that eTest shall charge is 4 hours per person, regardless of the number of hours worked by eTest;
- (d) eTest shall be entitled to charge an overtime rate of £45 per hour, or as specified in the Quotation, on a pro-rata basis for each part day or for any time worked by individuals whom it engages on the Services outside the hours referred to in clause 5.1(b);
- (e) Post-completion of the Services, where the Customer requires eTest to store the Customer's property, eTest shall store the Customer's property, at the Customer's risk, free of charge for a period of one month, after which eTest shall be entitled to charge its standard storage fees, or such fees as are specified in the Quotation;
- (f) Where the Customer requires eTest to deliver any item relating to the Services, eTest shall charge its standard delivery charges or as otherwise specified in the Quotation; and
- (g) eTest shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom eTest engages in connection with the Services including, but not limited to, travelling expenses, hotel costs, subsistence and any associated expenses, and for the cost of services provided by third parties and required by eTest for the performance of the Services, and for the cost of any materials.

5.2 eTest shall invoice the Customer on completion of the Services or, if the intended duration of the Services is more than one month, eTest will issue the Customer with interim monthly invoices in arrears.

5.3 Other than as stated in the Quotation, the Customer shall pay each invoice submitted by eTest:

- (a) (save when payment is due on demand) within 30 days of the date of the invoice; and
- (b) in full and in cleared funds to a bank account nominated in writing by eTest, and

time for payment shall be of the essence of the Contract.

5.4 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable for the time being (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by eTest to the Customer, the Customer shall, on receipt of a valid VAT invoice from eTest, pay to eTest such additional amounts in respect of VAT as are chargeable on the supply of the Services at the same time as payment is due for the supply of the Services.

5.5 If the Customer fails to make any payment due to eTest under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 8% per cent per annum above Royal Bank of Scotland's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

5.6 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding (except for any deduction or withholding required by law). eTest may at any time, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by eTest to the Customer.

6. **CONFIDENTIALITY**

A party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (**disclosing party**), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 6 shall survive termination of the Contract.

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

7.1 Nothing in these Conditions shall limit or exclude eTest's liability for:

- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors; or
- (b) fraud or fraudulent misrepresentation;

7.2 Subject to clause 7.1:

- (a) eTest shall under no circumstances whatever be liable to the Customer, whether in contract, delict (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract; and
- (b) eTest's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, delict (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed £50,000.

7.3 This clause 7 shall survive termination of the Contract.

8. TERMINATION

8.1 Without limiting its other rights or remedies, either party may terminate the Contract with immediate effect by giving written notice to the other party if:

- (a) the other party commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within three days of that party being notified in writing to do so;
- (b) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;
- (c) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (where a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (d) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;

- (e) the other party (being an individual) is the subject of a bankruptcy petition or order;
- (f) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- (g) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- (h) the holder of a qualifying floating charge over the assets of that other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- (j) any event occurs or proceeding is taken with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 8.1(b) to clause 8.1(i) (inclusive);
- (k) the other party suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business;
- (l) the other party's financial position deteriorates to such an extent that in eTest's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- (m) the other party (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.

8.2 Without limiting its other rights or remedies, eTest may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment and fails to pay all outstanding amounts within 30 days after being notified in writing to do so.

8.3 Without limiting its other rights or remedies, eTest may suspend provision of the Services under the Contract or any other contract between the Customer and eTest if the Customer becomes subject to any of the events listed in clause 8.1(b) to clause 8.1(m), or eTest reasonably believes that the Customer is about to become subject to any of them, or if the Customer fails to pay any amount due under this Contract on the due date for payment.

9. CONSEQUENCES OF TERMINATION

On termination of the Contract for any reason:

- (a) the Customer shall immediately pay to eTest all of eTest's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has

been submitted, eTest shall submit an invoice, which shall be payable by the Customer immediately on receipt;

- (b) the Customer shall return all of eTest Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then eTest may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;
- (c) the accrued rights, remedies, obligations and liabilities of the parties as at expiry or termination shall be unaffected, 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; and
- (d) clauses which expressly or by implication survive termination shall continue in full force and effect.

10. FORCE MAJEURE

- 10.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of eTest including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of eTest or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.
- 10.2 eTest shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.
- 10.3 If the Force Majeure Event prevents eTest from providing any of the Services for more than four weeks, eTest shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.

11. GENERAL

11.1 Assignment and other dealings.

- (a) eTest may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party or agent.
- (b) The Customer shall not, without the prior written consent of eTest, assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract.

11.2 Notices

- (a) Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first class post or other next working day delivery service, commercial courier, fax or e-mail.
- (b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 11.2(a); if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by by fax or e-mail, one Business Day after transmission.
- (c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

11.3 Severance

- (a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

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

11.5 **No partnership or agency.** Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

11.6 **Third parties.** A person who is not a party to the Contract shall not have any rights to enforce its terms.

11.7 **Variation.** Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by eTest.

- 11.8 **Governing law.** This Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the law of Scotland.
- 11.9 **Jurisdiction.** Each party irrevocably agrees that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).

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