

STANDARD TERMS OF BUSINESS FOR ELROND LIMITED.

1. DEFINITIONS

"Additional Work" means Work which is not included as part of any Retained Work or Project Work and is requested by the Client as a "one off" service.

"Approval" or "Approved" includes authority given by the Client verbally where it concerns Additional Works and otherwise by letter, fax or email or by signing or initialing documents such as estimates, invoices or orders.

"Client" means the person who has asked for the Work to be carried out (as identified in the relevant Contract Document).

"Content" means any software, hardware or other items to be purchased and/or provided by Elrond for use by the Client.

"Contract Document" includes any Work Summary or Specification and any other document created by Elrond and signed or Approved by the Client and specifically referencing the relevant Work.

"Fee" includes the fee payable for the Work and shall include any advance or staged payments set out in the relevant Contract Document.

"Materials" shall include documents, proposals, plans, programs, data and designs and all other works or Materials in which intellectual property rights may exist.

"Project Work" means the provision by Elrond of specialist computer Work or services for a particular project details of which have been summarised in a Summary for that Project.

"Retained Work" means the provision by Elrond of specialist computer Work or services on a continuing basis on the basis described in the relevant retainer service agreement

"Summary" means the document prepared by Elrond and Approved by the Client summarising the Work to be provided or procured by Elrond for the Client.

"Work" includes Project Work, Retained Work and Additional Work and, as the context permits, means the services or activities to be provided or carried out by Elrond as summarised in the relevant Summary or Contract Document.

2. THE WORK

2.1 In consideration of the relevant Fee, Elrond will provide or procure the provision of the Work which is summarised in the relevant Summary or other Contract Documents and will procure the provision of such works and Materials as are Approved by the Client. The terms and provisions of this Agreement shall apply to all dealings between Elrond and the Client unless specifically varied by special conditions in any Contract Document.

2.2 If Elrond has been asked by the Client to acquire any Content, Elrond will obtain an estimate for the cost of the Content and the Client shall pay the estimated cost price to Elrond to enable it to arrange for the purchase of the Content for the Client.

2.3 The Client may ask Elrond to provide Additional Work as and when such Work is required. Elrond will charge for any Additional Work at its normal hourly rate as notified to the Client from time to time.

2.5 All intellectual property rights in Work or Materials created by Elrond belongs to and shall remain with Elrond. Licence to use the product of the Work or the Materials will be granted once Elrond has received payment in full of the Fee. If the Client wishes to own all rights in the Materials and if Elrond is able to assign such rights, they may be assigned in writing upon payment of an agreed assignment fee.

2.6 Elrond will not be obliged to keep copies of Materials which it has produced for the Client for more than three years after completion of the relevant Work.

3. THE CLIENT'S OBLIGATIONS

3.1 The Client shall fully explain to Elrond what are the Client's concerns about equipment or systems requiring Elrond's attention or what the Client wishes to achieve and create as a result of engaging Elrond and will give Elrond a thorough understanding of the Client's expectations to enable Elrond to undertake the Work effectively

3.2 Where the Client wishes to have certain Work carried out the Client shall promptly notify its Approval to Elrond as appropriate so that Elrond can proceed with the Work or take such action as shall be identified as the Client's responsibility in any communication received from Elrond.

3.3 Approval of a Summary and/or estimates by the Client (for Project Work or Content) shall be Elrond's authority to arrange for Work to proceed and make commitments on behalf of the Client to purchase Content.

4. FEES AND CHARGES

4.1 In consideration of Elrond providing or procuring the provision of the Work the Client shall pay to Elrond the relevant Fee(s) identified in the relevant Contract Document.

4.2 The Client will pay to Elrond the amount due for all Content or Materials which Elrond has ordered for the Client, and shall also pay all Approved out of pocket expenses incurred by Elrond in the provision of the Work.

4.3 If the Client has Approved payment of a deposit or interim Fee for the Work as proposed in any Contract Documents the Client will (upon presentation of the invoice for that deposit or Fee) pay the Fee in respect of and as part payment for relevant Work. If the Client has agreed to pay the balance of the Fee by staged payments as the Work progresses, the Client will pay the relevant staged payment immediately upon receipt of the relevant invoice. The final balance of the Fee is due and will be paid by the Client upon completion of the Work.

4.4 If it has been necessary for Elrond to carry out or procure Additional Work in order to look after the best interests of the Client and the Client's equipment, the Client shall pay Elrond the cost of such Additional Work promptly upon receipt of an invoice for such Work.

4.5 All Fees and charges or reimbursement of Approved costs and out of pocket expenses will, where appropriate, be subject to the addition of VAT, or similar national sales tax, at the rate prevailing on the date of invoice. VAT will be identified separately on the relevant invoice.

5. INVOICING AND TERMS OF PAYMENT

5.1 The cost of any Work will be estimated in advance unless the nature of the Work is such that an estimate is not possible. Estimates shall not be binding on Elrond especially where unexpected Work is required to deal with a problem in the Client's equipment or software.

5.2 The Client will be invoiced periodically and all Fees, and Approved out of pocket expenses shall be paid promptly by the Client. If invoices are not settled promptly, Elrond shall be entitled to cease Work immediately.

5.3 The Client will receive the final invoice upon completion of the provision of the relevant Work, and the invoice should be paid upon completion of the Work. If the final invoice remains unpaid for 7 days after the date of invoice, Elrond will be entitled to charge interest on late payments at the rate specified by regulations made under The Late Payment of Commercial Debts (Interest) Act 1998.

5.4 If the Client has any reason to dispute payment for any item identified in an invoice, the Client shall notify Elrond of the disputed item within seven days of receipt of the invoice and shall work constructively with Elrond to resolve any dispute. Notwithstanding any such dispute, the Client shall pay the balance of the sum due on such invoice (excluding the disputed item) upon receipt of the invoice.

5.5 If the Client fails to notify Elrond of any dispute within seven days after the date of receipt of any invoice, that invoice shall be deemed accepted by the Client.

6. RESOLUTION OF DISPUTES

If any dispute develops between the parties whether concerning the Work, a Summary, Contract Document or any other matter relating to the dealings between the Client and Elrond the parties shall meet and use all amicable and constructive means to settle their differences (including formal mediation through a recognised body) before recourse to the law.

7. LIMITATIONS ON LIABILITY

7.1 Elrond shall provide its services to the Client in a professional and workmanlike manner and in accordance with generally accepted common practices. ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED AND WHETHER AT COMMON LAW OR BY STATUTE OR OTHERWISE ARE HEREBY SPECIFICALLY EXCLUDED, SO FAR AS THE LAW PERMITS SUCH EXCLUSION.

7.2 Elrond's liability for any and all loss, damage, cost or expense ("Loss") incurred by the client (or any third party) by reason of the negligence, breach of contract, breach of statutory or other duty by or imposed on Elrond or on its employees, directors, sub-contractors and/or agents shall be limited in the aggregate to an amount equal to twice the fee payable by the client to Elrond for the relevant work. Elrond shall not under any circumstances have any liability to the Client (or to any third party) in relation to or for any Loss to the extent that the Loss represents or relates to any loss of: revenue or profit or business opportunity or of anticipated saving or indirect financial benefit or saving or any other indirect financial benefits or savings; or relates to damage to or impairment of goodwill or loss of data or any indirect or consequential loss. Notwithstanding anything to the contrary herein, nothing in this Agreement shall be construed so as to limit Elrond's liability for death or personal injury to the extent that the same arises as a result of the negligence of Elrond, its employees, directors, officers, agents or authorised representatives or to limit Elrond's liability for direct loss sustained by reason of Elrond's proven fraudulent actions.

7.3 Elrond shall use reasonable endeavours to meet any specified dates for performance of the Work and shall notify the Client of any actual or potential delays to the provision of such Work. If the Client fails promptly to provide Elrond with appropriate detailed information or Approval or to take actions or make payments which are necessary for the Work to proceed, Elrond shall not be responsible for any delay in the provision of its Work as a consequence nor for any additional costs incurred or caused by such delay.

7.4 Elrond shall be released from its obligation to provide the relevant Work if an event beyond the reasonable control of either of the parties occurs and renders impossible the provision of that Work ("force majeure") until the cause of any such force majeure is removed or overcome. Elrond shall not be liable for and the Client shall not have any right, claim or cause of action in respect of any delay in the provision of or failure by Elrond to provide the Work resulting from force majeure.

8. CONFIDENTIALITY

Each party (the "Recipient") undertakes with the other (the "Discloser") that it will at all times, both during and after the term of this Agreement keep confidential and not disclose or permit disclosure to any third party, without the prior written consent of the Discloser of any confidential information relating to the Discloser's business, or circumstances and in the same way, where the Discloser is Elrond, the Client will keep confidential and not disclose or permit disclosure of proposals, techniques, ideas or contacts which Elrond may reveal to the Client.

9. TERMINATION

9.1 If notice is required to terminate the agreement between Elrond and the Client such notice as is specified in the relevant contractual Document will be given. Otherwise completion of the Work will end this agreement until the Client uses Elrond again.

9.2 Either party may terminate this Agreement forthwith and Elrond shall be entitled to charge the Client for work already carried out up to the date of termination (whether completed or not) if the other party becomes insolvent, appoints a receiver or makes an arrangement with its creditors concerning all or substantially all of its assets.

9.3 Elrond shall not be obliged to continue to provide any Work under any Contract Document if the Client has failed to pay any invoice by the due date.

9.4 If this Agreement is terminated for default or if the parties agree to terminate any particular Project, the Client shall pay Elrond all sums due to it as at the effective date of termination in accordance with the payment terms of the relevant Contract Document and Elrond shall deliver to the Client all work completed to that date.

10. GOVERNING LAW

This Agreement shall be governed and construed in all respects in accordance with English law and the parties agree that the English Courts shall have exclusive jurisdiction.

Ways To Pay Your Bill

By Cheque

Make your cheque payable to Elrond Limited. Please write your invoice number on the back (you'll find this on the front of your Bill). Send your cheque along with a copy of the invoice to:
Elrond Limited, 23a Knights Hill, London, SE27 0HS.

Online Banking

Company: Elrond Limited
Sort Code: 30-92-89
Account: 01822021
Reference: Your Invoice Number