

PRODUCER PACKAGING SCHEME MEMBERSHIP (TERMS & CONDITIONS)

1 DEFINITIONS

In these Conditions the following words and expressions, unless the context otherwise dictates, shall have the following meanings:-

"Agency" – means the Environment Agency in England; Natural Resources Wales in Wales; the Scottish Environment Protection Agency (SEPA) in Scotland; or the Northern Ireland Environment Agency (NIEA) in Northern Ireland, as the case may be;

"Agency Fee" – has the meaning given to it in clause 7.1.2;

"Agreement" – means the agreement between the Member organisation and Comply Direct, which shall incorporate these Conditions and which is constituted by completion of a successful Application by the Member organisation and the issue by Comply Direct to the Member organisation of a Comply Direct packaging scheme membership registration number;

"Application" – is the provision by the proposed member to Comply Direct of a completed packaging data form and membership application form, each in the form specified by Comply Direct from time to time;

"Appropriate Person" – means the person required to sign information submitted under regulation 19(2) of the Regulations, being for companies registered in the UK, a director or the company secretary; for partnerships, a partner; for sole traders, the individual; or for businesses which are not registered in the UK, the person who has control or management of the business;

"Comply Direct" or "Operator" – means Comply Direct Limited, a company incorporated in England and Wales with company number 05695937 whose registered address is Chandler House, 7 Ferry Road Office Park, Riversway, Preston, PR2 2YH;

"Conditions" – means these standard terms and conditions applicable to the producer packaging scheme operated by Comply Direct, as they may be amended from time to time in accordance with these Conditions;

"Consumer Information Obligations" or "CIOs" – means the obligations placed upon producers of the category 'seller' by the Regulations to provide information to consumers on recycling and recovery of packaging waste;

"Fees" – means any fee or other charge or levy payable by the Member under the Agreement, including the Registration Fee, the Agency Fee and the Member's apportioned contribution to the costs of the Operator satisfying the Obligations of the Scheme;

"Force Majeure Event" – means any event beyond the reasonable control of a party and shall include but shall not be limited to acts of God or war or terrorism, fire, floods, earthquakes, storms, epidemic, pandemic, defaults by suppliers, insufficient recycling evidence generated, strikes, lock out, industrial disturbances, riots, civil commotion or unrest, interference by civil or military authorities and compliance with the acts, regulations or orders of any local, governmental or other regulatory authority insofar as these have been implemented or modified since the date of the Agreement;

"Green Dot Terms and Conditions" – means the terms and conditions applicable to the use of the Green Dot Trade Marks, that are issued by the owner or administrator of the Green Dot Trade Marks in the United Kingdom from time to time;

"Green Dot Trade Marks" – means the green dot Trade Marks notified to the Member in writing by Comply Direct;

"Group" means the group of companies included in a Group Membership from time to time;

"Group Company" and "Group Companies" – means any company which forms part of a Group Membership as indicated in the Application;

"Group Membership" – membership of the Scheme by the Member for itself and for and on behalf of another company or companies, that are each Subsidiaries of the Member (Holding Company) as detailed in the Application;

"Holding Company" – as defined in the Companies Act 2006;

"MCEP" – means the packaging waste scheme Member compliance evidence policy and relates to scheme members bringing PRNs to the Scheme generated by their own waste streams;

"MCEP agreement" – means a written agreement between the Member and Comply Direct upon the terms specified by Comply Direct to the Member from time to time, under which the Member provides PRNs to Comply Direct for use by the Scheme as a contribution to the performance of the Scheme's Obligations;

"Member" – means a member of the Scheme;

"Membership Period" – means the period of time in which a Member is a member of the Scheme as described in the Agreement. It shall run for at least one Scheme Year (unless terminated earlier in accordance with the Agreement);

"Obligations" – means the recovery and recycling obligations specified in the Regulations;

"Obligation Year" – means the calendar year from January 1 until December 31 during which the Members have an obligation to comply with the Regulations;

"Preceding Year" – means the calendar year immediately preceding the then current Scheme Year;

"PRN" – means a packaging waste recovery note or packaging export recovery note as set out in the Regulations;

"Producer Responsibility Obligations" – means the producer responsibility obligations as set out in the Regulations;

"Registration Fee" – means the annual scheme registration fee payable by the Member in accordance with clause 7.1.1, calculated in accordance with Comply Direct's standard fee schedule applicable from time to time (and which can be obtained directly from Comply Direct where requested by the Member from time to time), as that fee is notified by Comply Direct to the Member from time to time;

"Regulations" – means the Producer Responsibility Obligations (Packaging Waste) Regulations 2007 and any subsequent amendments to or replacements for these regulations from time to time;

"Scheme" – means the Comply Direct compliance scheme, as registered with the Agency;

"Scheme Year" – means a calendar year beginning on 1 January and ending on 31 December of any year in which the Member is a member of the Scheme;

"Standard Variable PRN Rates" – means the rates set by the Operator from time to time in respect of packaging recovery notes based on the Scheme's procurement strategy and market performance;

"Subsidiary" – as defined in the Companies Act 2006;

"Turnover" – the turnover of the Member originating in the United Kingdom covering the latest accounting period ending (last audited accounts) before the commencement of the Agreement.

By completing the Application, the proposed Member, as detailed in the Application, is accepting and shall be bound by these Conditions.

2 INTERPRETATION

- 2.1 Any reference to an enactment is a reference to it as already amended or replaced and includes a reference to any repealed enactment which it may re-enact with or without amendment and to any future re-enactment and/or amendment of it and to any enactment that may replace it from time to time whether taking effect before or after the date of the Agreement. Unless the context otherwise requires, any reference to European Union law that is directly applicable or directly effective in the UK at any time is a reference to it as it applies in England and Wales from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 January 2020.
- 2.2 A reference to the Agreement or to any other agreement or document (or any part of them) is a reference to the Agreement or such other agreement or document (or the relevant part of them), in each case as varied from time to time.
- 2.3 Words and expressions used herein importing the singular number shall include the plural number and vice versa; and importing one gender shall include any other.
- 2.4 Any reference to a clause shall be a reference to a clause of these Conditions. The headings to the Conditions are for convenience only and shall not affect their interpretation or construction.
- 2.5 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.
- 2.6 The Agreement shall be binding on, and enure to the benefit of, the parties to this Agreement and their respective permitted assigns, and references to any party shall include that party's permitted assigns.

3 INTRODUCTION

- 3.1 The Agreement constitutes a contract between Comply Direct and the Member. The Agreement shall comprise the Application and these Conditions.
- 3.2 The Agreement shall take effect and be binding on the parties with effect from the date that the Operator has received and accepted the Member's Application and has issued the Member with a Comply Direct packaging scheme registration number. For the avoidance of doubt, the Operator is not obliged to accept any Application. The Agreement shall continue (and the Member shall continue to be a member of the Scheme) until it is terminated in accordance with this Conditions.
- 3.3 The Agreement is intended to ensure that the Member complies fully with the Regulations and that the Operator is able to operate the Scheme as required by the Regulations and any statutory guidance pertaining to the Regulations.

4 MEMBERSHIP

- 4.1 The Member undertakes and represents to the Operator that it shall observe and perform the obligations imposed on the Member under these Conditions.
- 4.2 The Member undertakes and represents to the Operator that it shall provide to the Operator such information regarding its organisational details and packaging usage as may be required by the Operator for the purposes of the proper operation of the Scheme, in such format and within such time limits as the Operator shall reasonably stipulate from time to time.
- 4.3 The Member warrants and represents to the Operator that all information submitted in the Application and all information subsequently submitted by the Member to the Operator is and shall at the date that it is submitted be true, complete and accurate.
- 4.4 The Member warrants and represents to the Operator that it has, with its Application, disclosed full details of all other Group Companies to which any Group Membership is to apply.
- 4.5 The Member agrees that it shall notify the Operator of any change in any information previously provided to the Operator promptly and in any event within 28 days of such change occurring.
- 4.6 The Member agrees that it shall also supply the Operator at and at any time after the commencement of the Scheme Year, if required by the Operator: (i) any information required by the Operator for the proper operation of the Scheme; and (ii) any information required to comply with any request or requirement of an Agency, government officer or any person with statutory powers to request such information.
- 4.7 The Member agrees and undertakes that it shall not whilst a member of the Scheme:-
- 4.7.1 be a member of any other compliance scheme under the Regulations; or
- 4.7.2 register or continue registration as a producer under the Regulations or seek to comply with the Producer Responsibility Obligations (including the Obligations), otherwise than through the Scheme.
- 4.8 The Member hereby authorises the Operator to publish or disclose all information provided by the Member for such purposes as the Operator thinks fit in connection with the Scheme. The Member hereby acknowledges and agrees that any advice provided to it by the Operator pursuant to the Scheme is for the Member's use only and the Operator shall not be responsible to any other person except the Member (and any Group Companies engaged under a Group Membership) in respect thereof.
- 4.9 Comply Direct has been granted a licence to sub-licence the use of the Green Dot Trade Marks to its Scheme members. By agreeing to these terms, the Member agrees to comply with the Green Dot Terms and Conditions. Comply Direct shall be entitled to terminate the Member's licence to use the Green Dot Trade Marks at any time on notice to the Member if Comply Direct ceases to be entitled to sub-licence their use to Members or if the Member is in breach of the Green Dot Terms and Conditions.
- 4.10 At the reasonable request of the Member, the Operator agrees to make available to the Member, a copy of the Green Dot Terms and Conditions.

5 MEMBERSHIP RENEWAL

- 5.1 Unless otherwise terminated in accordance with the Agreement, the Membership Period shall automatically continue on expiry of each Scheme Year, for each subsequent Scheme Year and the Agreement (including these Conditions) shall apply to the Member and the Operator for each such Scheme Year.

6 GROUP MEMBERSHIP

- 6.1 An Application for Group Membership may be made by a Holding Company of a group of companies on behalf of itself and one or more of its Subsidiaries.
- 6.2 The company making the Application shall be the Member of the Scheme for all purposes connected with these Conditions and the Scheme and shall represent the Group Companies and enter into the Agreement with the Operator on its and their behalf.
- 6.3 The Member hereby confirms its authority to enter into the Agreement for itself and on behalf of each other Group Company. The common Holding Company shall sign and complete the Application in respect of a Group Membership.
- 6.4 Details (including name, address, type of business and registered company number) of all the companies forming part of the Group Membership shall be provided to the Operator by the Member in a format specified by the Operator.
- 6.5 The Member shall confirm the accuracy of the details of itself and each other Group Company.
- 6.6 The Member shall inform the Operator immediately in writing if any Group Company ceases to be a member of that Group and that company shall cease to form part of the Group Membership with effect from the date that it ceases to be a member of that Group.
- 6.7 The Member shall inform the Operator immediately in writing if it proposes to add one or more companies to the Group Membership giving details of its name, address, business and the types and volumes of packaging handled and the Operator shall, in its sole discretion, determine whether to accept the additional companies and if so, whether such acceptance takes place with immediate effect, or from the start of the next Scheme Year.
- 6.8 When any company leaves or joins the Group Membership, the Member shall comply with the Operator's reasonable requirements to supply revised calculations of the Group's obligations under the Regulations in the format and within the time limit prescribed by the Operator.
- 6.9 The Member shall procure that each of its Group Companies that form part of the Group Membership complies with the Agreement as if references to the Member were to such Group Companies. The Member shall be jointly and severally liable to the Operator under the Agreement with each other Group Company for the performance of each Group Company's obligations under the Agreement and for the acts and omissions of each Group Company in connection with the Agreement.

7 FEES

- 7.1 The Member shall be liable for and shall pay the Operator the following fees in respect of each Scheme Year:

- 7.1.1 a registration fee which is a flat rate annual fee payable upon joining the Scheme, and then on an annual basis in respect of each Scheme Year thereafter. The initial Registration Fee shall be payable on acceptance by the Operator of the Member's Application (or in the case of the addition of any new Group Company, on the date that the new Group Company is added to the membership). Registration Fees for subsequent Scheme Years are payable on or before 31 January in the Scheme Year to which the Registration Fee relates. The prevailing Registration Fee for each category of Member shall be determined by the Operator and notified to the Member from time to time in writing. The Operator shall be entitled to change the Registration Fees payable by Members (and the methodology used to calculate them) at any time by giving notice to the Member. Changes shall apply to Members for the Scheme Year that begins after the change has been made;
- 7.1.2 the latest fees payable to the Agency in respect of the Member, including the annual registration fee payable to the Agency as set out in the Regulations and any fees charged by the Agency in respect of the Member's late registration, or resubmission of data (the "**Agency Fees**"). The Operator shall be entitled to invoice the Member for any Agency Fees before or after the date on which the fees concerned become payable to the Agency; and
- 7.1.3 a quarterly PRN charge in respect of the cost of complying with (and acquiring sufficient PRNs to provide evidence of the Scheme's compliance with) the Obligations under the Regulations on behalf of the Member together with a margin determined by the Operator, calculated in accordance with the methodology specified by Comply Direct from time to time. The price charged for PRNs and the margin retained by Comply Direct on invoiced PRNs directly relates to how successful Comply Direct have been with their procurement strategy from year-to-year. The Operator shall invoice its Members in advance for the four quarterly periods of each Scheme Year based on anticipated compliance requirements. Comply Direct reserves the right to undertake a reconciliation at the end of the Scheme Year of payments received against the actual costs of complying with and acquiring the necessary PRNs to evidence the Scheme's compliance with the Obligations on behalf of the Member together with the Operator's margin and to adjust the PRN charges accordingly and invoice the Member for any shortfall as determined by Comply Direct (and the Member shall pay such invoice).
- 7.2 If a Member registers late or completes a resubmission of data after the registration deadline, they shall not automatically qualify for Comply Direct's standard variable PRN rates and may be subject to a market rate specified by Comply Direct at the point of registration or the resubmission or such other rate as Comply Direct may specify as required to satisfy compliance, in each case as determined by Comply Direct in its sole discretion and notified to the Member.
- 7.3 If sums payable by the Member to the Operator are late and a debt recovery service is instructed by the Operator, the Member shall indemnify the Operator for the additional costs incurred. The Operator shall make reasonable attempts to resolve outstanding payments directly and shall only consider debt recovery if the Member is unresponsive.
- 7.4 If any sum payable by the Member to the Operator remains unpaid more than 30 days after: (i) the date specified in clause 7.1.1 (in the case of Registration Fees); or (ii) the date of invoice (for all other payments), then without prejudice to the Operator's other rights and remedies, the Member shall pay interest on that sum at a rate of 4 percent per annum above the base rate of the Barclays Bank from time to time, or at 4 percent where the base rate falls below zero and such interest is to be calculated and compounded on a daily basis from the date on which such sum became due until the date on which payment is received.

- 7.5 If any PRN charges payable by the Member are not paid by the payment due date on the invoice, the Member may no longer qualify for the standard variable PRN rates specified by Comply Direct and Comply Direct shall be entitled to calculate the relevant quarterly PRN charge by reference to such alternative higher rates as Comply Direct may determine in its discretion.
- 7.6 No payments made by a Member on behalf of any Group Company that subsequently leaves the Group Membership in the course of any Scheme Year shall be refunded.
- 7.7 The Member shall, where its Application takes effect after the commencement of a Scheme Year, be invoiced for all relevant Fees for the entire Scheme Year and Fees shall not be prorated down for any part of a Scheme Year.
- 7.8 All invoices issued to the Member shall be paid within 30 days of the issue of an invoice in respect thereof by the Operator.
- 7.9 If any Fees remain unpaid for a period of 15 days after the due date of payment, the Operator reserves the right to terminate the membership of the Member as detailed with clause 13 of these Conditions.
- 7.10 Fees paid, whether paid as a deposit or otherwise, are non-refundable.

8 MEMBERS OWN PACKAGING WASTE

- 8.1 Any Member that acquires PRNs through the processing of its own waste as part of its normal business activities is able to deliver those PRNs to the Scheme under an MCEP agreement where an MCEP agreement has been agreed in writing by Comply Direct and the Member concerned. The MCEP agreement is to be in place by the 15th April for the relevant Scheme Year, it shall outline the material specific tonnage, method of delivery and any third party reprocessor/exporter responsible for transferring the PRNs to Comply Direct.
- 8.2 The Operator shall give the Member credit, in terms of volume and any value attached to PRNs brought by the Member to the Scheme under an MCEP agreement, against the Member's share of the Obligations of the Scheme.
- 8.3 If the Member acquires PRNs surplus to its own proportion of the Scheme's Obligations, the Operator may (but is not obliged to) agree to purchase PRNs from the Member. Under such agreement, the Operator shall pay to the Member within 30 days of receipt of a valid invoice, an amount per PRN supplied which is equal to the average price paid by the Operator for a relevant type of PRN.
- 8.4 The average price referred to in clause 8.3 above shall be calculated by dividing the total cost of the relevant type of PRNs secured by the Operator of the Scheme for the relevant period, as agreed by both parties.
- 8.5 All MCEP agreements are made at Comply Direct's discretion and there is no guarantee of acceptance. MCEP agreements are the only route through which a Member can supply their own PRNs to Comply Direct and are subject to written agreement.

9 CONFIDENTIALITY

9.1 Each party shall hold all documents and information of a confidential nature received from the other party in connection with the performance of the Agreement (the "**Confidential Information**") in strict confidence and shall not disclose it to any third party except where the recipient party is permitted to disclose such documents and information under the Agreement or where agreed between the parties.

9.2 Each party shall be entitled to disclose the other party's Confidential Information:

9.2.1 to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with the Agreement. 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 9; and

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

In addition, the Operator shall be entitled to: (i) publish information as described in clause 4.8 notwithstanding the fact that it may include the Member's Confidential Information; (ii) use and disclose the Member's Confidential Information where and to the extent that the Operator reasonably considers appropriate in the course of the operation of the Scheme or where requested by the Agency; and (iii) combine data obtained from the Member with other data to create aggregated data sets and freely use and disclose such aggregate data for the Operator's own purposes (and such aggregate data shall belong to and be treated as part of the Operator's Confidential Information).

9.3 The provisions of this clause 9 shall not apply to any Confidential Information that:

9.3.1 is or becomes generally available to the public (other than as a result of its disclosure by the receiving party in breach of this clause);

9.3.2 was available to the receiving party on a non-confidential basis before disclosure by the disclosing party;

9.3.3 was, is or becomes available to the receiving party on a non-confidential basis from a person who, to the receiving party's knowledge, is not bound by a confidentiality agreement with the disclosing party or otherwise prohibited from disclosing the information to the receiving party;

9.3.4 the parties agree in writing is not confidential or may be disclosed; or

9.3.5 is developed by or for the receiving party independently of the information disclosed by the disclosing party.

9.4 Comply Direct shall adhere to all requirements of the Data Protection Act 2018 and the UK GDPR. Comply Direct's members' privacy notice details further information about Comply Direct's processing of personal data and is available on the Comply Direct [website](#).

10 OBLIGATIONS OF THE OPERATOR

- 10.1 Subject in the case of each Member, to that Member complying with the Conditions, and whilst the Scheme remains registered for the purposes of the Regulations, the Operator shall use its reasonable endeavours to perform its obligations in accordance with the Regulations for the purposes of satisfying the Obligations of each Member for the duration of the Membership Period including the Member's Consumer Information Obligations.
- 10.2 The Operator agrees upon reasonable request from a Member to supply to the Member within a reasonable time, a summary of the Fees and their breakdown.
- 10.3 For the avoidance of doubt the Member hereby agrees that the amounts specified by the Operator as being the Fees that are payable by the Member under the Agreement shall be final and binding upon the Member.
- 10.4 The Operator shall use reasonable endeavours to provide records and reports to the Agency, in compliance with the Regulations.
- 10.5 The obligations contained in Clauses 10.1, 10.2 and 10.4 shall be conditional upon the Member complying in full with the Conditions.
- 10.6 The obligations contained in Clauses 10.1 and 10.2 shall cease upon the cancellation or termination of the Scheme under the Regulations.

11 OBLIGATIONS OF THE MEMBER

- 11.1 The Member shall by no later than the 28 February of each Scheme Year have completed and submitted their annual packaging handled data to the Operator in the required data tables format as per the Regulations and then by no later than 31 March have also provided the resulting packaging data verification form signed by an Appropriate Person via a document upload within the Operator's online systems.
- 11.2 All new Member registrations (which includes completing and submitting a relevant Application (including membership form for the Scheme Year concerned), completing the packaging data form and also providing the resulting packaging data verification form signed by an Approved Person via a document upload within the Operator's online systems) that occur after the 15 April in a Scheme Year must be received as fully complete by the Operator no later than the 15 December within such Scheme Year.
- 11.3 The Member shall ensure that any Member data resubmissions (comprising the payment of the fees specified by Comply Direct, completing the resubmission of the packaging data form and also providing the resulting packaging data verification form signed by an Appropriate Person via a document upload within the Operator's online systems, in each case in the form specified by the Operator) that occur after the 15 April in a Scheme Year are received by the Operator no later than the 15 December within such Scheme Year.
- 11.4 The Member shall ensure that all information provided by the Member to Operator in the Application and annual data form is signed by an Appropriate Person.
- 11.5 All Members of the Scheme shall keep records of all documents relating to compliance under the Regulations for a period of at least 4 years.

- 11.6 The Member shall permit the Operator to inspect any of the accounts and records as may be required in order to satisfy the requirements of the Regulations or these Conditions.
- 11.7 The Member shall comply with all reasonable requests and instructions given by the Operator from time to time in connection with the operation of the Scheme. The Member shall also comply with any obligations imposed directly on the Member under the Regulations.
- 11.8 Where a Member becomes aware of, or reasonably ought to have become aware of any changes to, inaccuracies in, or omissions in the information previously provided to Operator in accordance with these Conditions (including but not limited to changes in information contained or referred to in its last data submission, ownership type, places of business and contact details and any other changes which may render the information previously provided to the Operator as being false, misleading, inaccurate or incomplete), then the Member shall immediately notify the Operator of such changes so as to enable Comply Direct to comply with its obligations under the Regulations to notify the Agency of any changes.

12 INDEMNITY & LIMITS ON OPERATOR'S LIABILITY

- 12.1 The Member hereby agrees to indemnify and keep indemnified the Operator from and against all demands, claims, liabilities, losses, damages, (for loss of profit or otherwise) costs and expenses (including all legal and other costs and expenses) whatsoever: (i) in connection with any failure by the Member to comply with the Conditions and/or the Regulations; and/or (ii) in connection with the provision by the Member to the Operator of any false, inaccurate, misleading, late or incomplete information or information failing to meet the standard of accuracy required by the Agency.
- 12.2 Subject to clause 16.1, Comply Direct shall not be liable to the Member by reason of any representation or any implied warranty, condition, or other term, or under any duty at common law, or under the express terms of the Agreement, or in tort (including negligence), breach of statutory duty or otherwise howsoever for any:
- 12.2.1 loss of goodwill, contracts, profits or revenue (whether direct or indirect);
- 12.2.2 failure to achieve savings or wasted costs (whether direct or indirect); or
- 12.2.3 consequential, special or indirect loss, damage, costs, expenses or other claims for consequential compensation whatsoever,
- arising directly or indirectly out of or in connection with the Agreement or its subject matter.
- 12.3 Subject to clause 16.1, Comply Direct's total liability to the Member and its Group Companies (taken together and not per entity) for all claims arising (regardless of when they may be asserted) in any Scheme Year (in aggregate and not per claim) in connection with the Agreement and whether in contract, tort (including negligence) or otherwise howsoever shall not exceed:
- 12.3.1 in the case of claims arising during the first Scheme Year of the Agreement, an amount equal to the estimated Fees for that Scheme Year payable by the Member and its Group Companies as calculated and notified by Comply Direct to the Member; and

- 12.3.2 in the case of claims arising during any subsequent Scheme Year, an amount equal to the Fees payable by the Member and its Group Companies in respect of the immediately preceding Scheme Year.
- 12.4 The provisions of clause 12 shall continue to apply notwithstanding termination of the Agreement however caused.

13 TERMINATION

- 13.1 The Operator may terminate the Agreement and the Member's membership of the Scheme by notice in writing, in the event of any material breach by the Member of any of its obligations under the Agreement. Such termination shall take effect on the date specified by the Operator in writing.
- 13.2 The Operator shall also be entitled to terminate the Agreement and the Member's membership of the Scheme by notice in writing to take effect immediately or at such time as may be specified in such notice in the following circumstances:
- 13.2.1 failure by a Member to pay to the Operator any sum due to the Operator under this Agreement within 15 days of the due date for payment thereof; or
- 13.2.2 the Operator (acting reasonably) believes it is in the best interests of the other members as a whole to terminate the Member's membership of the Scheme.

These termination provisions are without prejudice to the general rights of termination contained in Clause 13.1, 13.3 and 13.5.

- 13.3 The Operator may terminate the Agreement and the Member's membership by notice in writing with immediate effect (or on such later date as may be specified by the Operator) in the event that the Member (or in the case of Group Membership any company within that Group) becomes insolvent or applies for, consents to or suffers the appointment of a liquidator, receiver or administrative receiver, or administrator, or is unable to pay its debts as they fall due in accordance with Section 268 of the Insolvency Act 1986 or where a Member is a partnership, and one or more of the partners becomes insolvent.
- 13.4 The Member may terminate the Agreement and its membership of the Scheme for convenience with effect from the end of a Scheme Year, by giving notice in writing to the Operator at least 90 days prior to the end of the Scheme Year.
- 13.5 The Operator may terminate the Agreement and the Member's membership of the Scheme for convenience with effect from the end of any Scheme Year by giving notice in writing to the Member at least 120 days prior to the end of the Scheme Year.
- 13.6 If the Member's membership of the Scheme terminates at any point other than at the end of a Scheme Year, the Member shall notify the Operator if the Member shall after termination of its membership become a member of another Scheme registered under the Regulations during the remainder of the Scheme Year in which termination of its membership took effect.
- 13.7 For the avoidance of doubt, termination of membership shall terminate the Agreement and termination of the Agreement shall terminate membership of the Scheme. Termination of a Member's membership shall also terminate all Group Memberships for members of its Group. However, the termination of membership for whatever cause shall not affect any provision of

the Conditions which is expressed or impliedly intended to survive or operate in the event of such termination and shall not prejudice or affect the right of either party against the other in respect of any breach of the Conditions or any monies payable by one party to the other in relation to any period prior to termination and in particular without limitation shall not affect the entitlement of the Scheme to any PRNs made available to it in accordance with the Conditions prior to termination.

- 13.8 The Operator shall not be liable for any loss, damage, delay, loss of market, costs or expenses of whatsoever nature sustained by the member by virtue of the termination of membership from the Scheme.

14 FORCE MAJEURE

- 14.1 Neither the Operator nor the Member shall be liable each to the other for any delay or hindrance in the performance of or failure to perform its obligations under these Conditions (other than the Member's obligation to make any payment) provided that the failure, delay or hindrance arises directly or indirectly from a Force Majeure Event and provided also that the affected party promptly notifies the other of the reason for the default or delay and makes all reasonable efforts to overcome it. The acts and omissions of any Group Company shall not constitute a Force Majeure Event with respect to the Member unless the act/omission concerned was itself caused by something that would constitute a Force Majeure Event for the Group Company itself had it been a party to the Agreement.

15 ANTI-CORRUPTION

- 15.1 Each of the Member and Comply Direct undertake to the other that it is and shall remain in compliance with the Bribery Act 2010.
- 15.2 The Member and Comply Direct shall not, (and each of them shall procure that its officers, employees, shareholders, representatives and agents shall not), directly or indirectly, either in private business dealings or in dealings with the public sector, offer, give or agree to offer or give (either itself or in agreement with others) any payment, gift or other advantage with respect to any matters which are the subject of these Conditions which:
- (i) would violate any applicable anti-corruption laws or regulations;
 - (ii) is intended to, or does, influence or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept;
 - (iii) is made to or for a Public Official with the intention of influencing them and obtaining or retaining an advantage in the conduct of business; or
 - (iv) which a reasonable person would otherwise consider to be unethical, illegal or improper.
- 15.3 For the purposes of this Agreement, "Public Official" includes, without limitation, any person holding or acting on behalf of a person holding a legislative, administrative or judicial office, including any person employed by or acting on behalf of a public agency, a state owned or public enterprise, a public international organisation, any federal or regional government department or agency, any political party, any candidate for political office or a relative or associate of any such person.

- 15.4 To the best of its knowledge and belief, the Member and Comply Direct each confirm to the other that it:
- (i) has not at any time been found by a court in any jurisdiction to have engaged in any corrupt act (or similar conduct) prohibited by the Bribery Act 2010 ("**Corrupt Act**").
 - (ii) has not at any time admitted to having engaged in any Corrupt Act; and
 - (iii) has not at any time been investigated or been suspected in any jurisdiction of having engaged in any Corrupt Act.

16 GENERAL DECLARATIONS

- 16.1 Please note that nothing in these Conditions excludes or restricts liability for fraud (including fraudulent misrepresentation) or death or personal injury resulting from negligence or any other liability that it is not lawful to exclude.
- 16.2 These Conditions together with the Application constitute the entire agreement between Comply Direct and the Member relating to the Scheme. All conditions, warranties and other terms implied by statute or common law are hereby excluded from the Agreement to the fullest extent permitted by law.
- 16.3 All sums payable under the Agreement by the Member are stated to be exclusive of VAT or any similar impost or levy which the Member shall be obliged to pay in addition to all such sums.
- 16.4 A person who is not a party to the Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of the Agreement.
- 16.5 The Member shall not be entitled to assign, hold on trust or transfer in any way the Agreement or any of its rights or obligations under the Agreement without the prior consent of the Operator.
- 16.6 The Operator may at any time amend any provision of the Conditions and any such amendment shall become binding upon the Member and the Operator (and the Agreement shall be deemed amended accordingly): (i) immediately in the case of the amendment that the Operator considers is required in order to comply with the Regulations and/or any other legislation or regulations; or (ii) in the case of any other change, 30 days after the Operator has published or otherwise notified the Member of such amendment.
- 16.7 No other variation of the Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

17 WEBSITE POLICY

- 17.1 The services of the Operator under the Scheme shall be provided through the Comply Direct website located at www.complydirect.co.uk.
- 17.2 Please refer to the Comply Direct website privacy policy (available online) for details on the use of any personal data collected on the website.

18 SEVERANCE

- 18.1 If any provision of the Agreement is held to be invalid or unenforceable in whole or in part under any enactment or rule of law such term or provision (or part) shall to that extent be deemed not to form part of the Agreement but the validity and enforceability of the remainder of the Agreement shall not be affected.

19 WAIVER

- 19.1 No payment accepted by either party and no neglect, failure, delay or indulgence on the part of either party in exercising any right in connection with or enforcing this Agreement or any term or clause of the Agreement shall operate as a waiver of that party's rights, powers or privileges.

20 NOTICES

- 20.1 Any notice given or made under the Agreement shall be in writing and may be delivered to the relevant party or sent by post to the address of that party as shall have last been notified in writing by that party to the other party.
- 20.2 Each notice or communication shall be deemed to have been given or made and delivered if by a letter 48 hours after posting or if by delivery when left at the relevant address.

21 GOVERNING LAW

- 21.1 The Agreement shall be governed by and construed in all respects in accordance with English Law and the parties agree to submit to the exclusive jurisdiction of the English Courts as regards any claim or matter arising in relation to the Agreement.