
INTRODUCTION

This booklet contains terms and conditions for Canon (UK) Ltd Business Solutions and Business Finance Solutions (“BFS”), a trading style of GE Capital Equipment Finance Ltd, part of GE – Capital Solutions.

BFS and Canon are separate companies and act as independent contractors. BFS is dedicated to the provision of financial services for customers of Canon.

Section One (overleaf) sets out the terms and conditions that apply to all orders and contracts between You, the customer and Canon’s Business Solutions. These terms do not form part of Your contract with BFS.

Section Two (see reverse of this book) sets out the terms and conditions that apply to all financial arrangements between You and BFS, other than financial arrangements regulated by the Consumer Credit Act 1974. These terms do not form part of Your contract with Canon.

Neither Canon nor BFS are liable to You for the performance of the other’s contract with You.

SECTION ONE

Section One contains terms and conditions governing all contracts with Canon (UK) Ltd's Business Solutions. These terms do not apply to BFS.

PART A

GENERAL TERMS

Clauses 1 to 59 apply to any Contract between You and Us for the provision of Products (as defined in clause 1 below)

DEFINITIONS

- 1. We, Us, Our - Canon (UK) Ltd or the relevant Canon subsidiary specified on the order.
- You, Your, Yours - The individual, company or organisation entering into the Contract with Us.
- Customer Environment - Your information technology, telecommunications, and other relevant infrastructure (including without limitation Your connections to the internet and to Your telecommunications service providers) which interfaces (in any way) with the Products being supplied by Us.
- Equipment - The equipment to be supplied to You by Us under the Contract.
- IPR - (i) rights in patents, registered designs, designs rights, trade marks, copyright, databases, moral rights, topography rights, trade and business names (including domain names) including the benefit of all registrations and applications to register any of the aforesaid and all rights in the nature of any of the aforesaid, (ii) all trade secrets, confidentiality and other proprietary rights including all rights to know-how and other technical information.
- Print Charge - Charge for each copy or print utilised.
- Products - The Equipment, Software, Services and/or other items sold to You by Us under the Contract.
- Order(s) - The individual orders placed by You with Us setting out the Products to be provided by Us to You.
- Service(s) - The service or various services provided to You by Us under the Contract, which may include training, maintenance, installation, Software services, Managed services, consultancy and other services specified in the Contract.
- Software - The computer programs incorporated into any Equipment or which are supplied separately by Us under the Contract.
- Managed Services - Various services as specified in the Contract and which are outsourced by You to Us and/or additionally provided by Us.

Other terms are defined separately in the following clauses e.g. Clause 2 (“Contract”) and (“Conditions”).

PURPOSE OF THE AGREEMENT

2. These Terms and Conditions (“Conditions”) and any addendum signed in accordance with clause 44 set out the Conditions that will apply to any contract between You and Us for the provision of Products (“Contract”).

ENTIRE AGREEMENT

3. This Contract constitutes the entire agreement between the parties in connection with its subject matter, and supersedes any conditions which may appear on Your documentation and all prior understandings, representations or communications. Both parties acknowledge that neither have relied on any representations except as expressly set out in this Contract. Neither party shall have any liability for misrepresentation other than (i) misrepresentation as to a fundamental matter which shall be subject to the limits set out in clause 35; and/or (ii) liability for any fraudulent misrepresentation.

ORDERS

4. Contracts are only formed and become binding when You place an Order with Us and We expressly confirm Our acceptance of Your Order or deliver the Products. You agree that We may require Your Orders to be placed with Us in a format specified by Us.

PAYMENT

5. If a separate payment schedule applies, You agree to pay Our invoices in full immediately upon the due date without any deduction or withholding on any account. Otherwise You agree to pay Our invoice by direct debit within 45 days of the date of Our invoice. If payment is not made by direct debit, You agree to pay Our invoice within 30 days of the date of invoice. In either case if You don't pay, You agree that We will not be obliged to carry out any further obligations or duties under any Contract. You acknowledge that all charges and fees stated exclude VAT unless otherwise specified in writing.
6. Additional clauses may apply in respect of payments for Services and these are detailed in the Services Terms section below or a separate addendum. Clause 7 applies to these clauses in addition to any other specific provision.
7. If payment is not received in full when due, We reserve the right to enforce the statutory provisions laid down in the Late Payment of Commercial Debts (Interest) Act 1998 and supporting regulations (as amended).
8. Unless agreed otherwise in writing, We can increase the charges applicable under any Contract annually, by giving You 60 days written notice. We agree that if the charges are increased by more than either 5% or the RPI over the last 12 month period, whichever is the greater, You will be entitled, on 30 days notice, to terminate the Contract from the date the new price is introduced. However, You agree that where the additional increase can be shown to be required to cover increased costs in materials, consumables or labour, Your right to terminate the Contract will be in accordance with Clause 41 below.

DELIVERY AND INSTALLATION

9. Unless We agree otherwise in writing all delivery and, where applicable, installation dates are estimates and We are not liable for any loss, costs, expense, liability, or damages You or someone else suffers because We did not meet these estimated dates.
10. Where We have agreed with You in writing delivery or installation dates and if We have been delayed or impeded in Our performance by any act or omission by You or by another supplier/contractor employed by You, or any circumstances beyond Our reasonable control, You shall grant Us a reasonable extension of time to comply with Our obligations, provided that We have notified You in writing of the same, without unreasonable delay.
11. Any additional expenses reasonably incurred by Us, in respect of Clause 10 above, otherwise than in consequence of Our default shall be reimbursed by You.
12. You agree that someone on Your behalf will sign and date the delivery note that comes with the Products to prove that they have been delivered. The person who signs the delivery note should also print his/her name on it. The delivery note is proof that the Products on it have been delivered. If, subsequent to delivery, You request further evidence of the same, then We reserve the right to charge an administration fee.
13. We will not accept claims for shortages. Other than in respect of Products supplied under section C below, You must notify Us within 10 working days if there is a fault in the Products.

LOAN/TRIAL EQUIPMENT

14. We may provide You with Equipment on a loan or trial basis. If We do so, You agree the title in any such Equipment shall remain with Us and You will not do or allow anything to be done which is inconsistent with Our ownership of it. In particular You agree not to allow any one else to service or modify the Equipment or to take it away, unless agreed by Us in writing beforehand. The risk in such Equipment will pass to You on delivery and will stay Your risk until We take it back. You agree to insure such Equipment for the full replacement value. You agree to store and use such Equipment in a safe and secure manner and to allow Us access at Our request during Your normal business hours to inspect and/or service the Equipment or repossess it at the end of the loan/trial period or at any time if You breach these Conditions. We will agree with You in writing the scope and additional terms of such loan/trial and any charges due.

IPR

15. You accept that all copyright and other IPR's in Specifications, computer programs, manuals and other materials written or provided by Us for or in connection with the Products supplied shall remain vested in Us or Our licensors. You agree that You shall not disclose any documents containing Our or Our licensors IPR's to third parties without Our prior written consent.
16. You agree that You will not remove, alter or obliterate any IPR or proprietary notice or other notice required by national or European legislation or regulation on any Product supplied to You by Us.
17.
 - a) Subject always to Your compliance with Your obligations under this Contract, We grant to You a non-exclusive licence to use the Software on the terms set out in Clauses 17 & 18 and on any additional terms notified to You on supply of the Software. You agree not to copy, reproduce, export or deal in the Software or any part thereof in any way except as expressly permitted by the Contract and save to the extent and in the circumstances expressly permitted by law.
 - b) Subject to 17 (c) You may: (1) use one copy of the Software ("use" shall mean storing, loading, installing, executing or displaying the software) for Your own internal purposes; (2) make a reasonable number of back-up copies of the Software in support of the permitted use, provided that all such copies include the Canon copyright notice as it appears in the original copy of the Software provided to You; (3) on written notice to Us, transfer the Software and the benefit of this licence of the Software to another person, provided that this person shall have agreed to accept the terms of this licence of the Software and You cease all use of the Software, transfer all copies of the Software You have made to that person or destroy all copies not transferred. If any transferee does not accept such terms then this licence of the Software automatically terminates.
 - c) Any third party Software supplied by Us may be sub-licensed to You in accordance with the terms of the agreement between Us and the licensor and any terms and conditions stipulated by the relevant licensor. If required by the licensor of the third party Software You shall enter into a separate licence agreement with it for licence of that Software. The terms of such licence shall prevail to the extent of any inconsistency with this Contract.
18. You agree not to decompile, reverse engineer, disassemble or otherwise reduce any part of the Software to human-readable form nor permit any third party to do so. The interface information necessary to achieve interoperability of the Software with independently created computer programs will be provided by Us (other than third party Software supplied by Us) on request and on payment of Our reasonable costs and expenses for procuring and supplying such information.
19. Notwithstanding any other provision of this Contract, nothing in this Contract shall affect the ownership of IPR's existing prior to the date the parties entered into this Contract. We acknowledge that Your data is Your property and that You hold all IPR's which may subsist in it. We shall not delete or vary any copyright notices contained within or relating to Your data without Your prior consent.

OUR WARRANTY AND EXCLUSIONS

20. We warrant that the Services provided under this Contract will be performed in accordance with industry standard practices and with reasonable skill and care.
21. Unless specifically included in the applicable Product literature, no warranty is offered for Canon manufactured Products. Any third party warranty provided to Us in respect of any third party Product shall, to the extent permitted, be transferred to You. Other than as expressly stated in this contract We offer no warranty or condition in respect of any such Products. Any Product for which a warranty is available will be subject to the specific warranty terms and, where required, subject to any defective Equipment and/or Software being promptly returned.
22. Save as otherwise agreed in the Contract Specification, We take no responsibility for and give no warranty that:
 - a) the provision of a Product (whether installed in the Customer Environment or otherwise) will be uninterrupted or bug or error free. In particular You accept that the Services will be limited as provided for in Clause 94 of this contract;
 - b) any Products will operate in hardware and/or software combinations selected by You or any third party instructed by You; and
 - c) any faults in or interruptions to the Customer Environment will always be successfully diagnosed or rectified by Us.
23. Save as set out in Clause 33, these Conditions are in lieu of all other conditions, warranties or other terms concerning the supply, purported supply, failure to supply or delay in supplying the Products and any Services which might but for this Clause have effect between both parties or would otherwise be implied into or incorporated into these Conditions or any collateral contract, whether by statute, common law or otherwise, all of which are hereby excluded.
24. Your sole remedy for a breach of Our warranty given at Clause 20 is to require Us to repeat the Services so that they do comply with Our warranty, within a reasonable time at no charge to You provided that You notify Us of any alleged breach within 5 working days of it coming to Your attention.
25. If We are unable to remedy any such breach notified to Us, We will refund the charges payable in respect of any Products which have breached Our warranty given above and in respect of any Services for which payment in advance has been made. This is subject to any defective Equipment and/or Software being promptly returned to Us.

YOUR WARRANTIES AND RESPONSIBILITIES

26. You warrant that:
- a) You have full power and authority to enter into and perform this Contract on these terms;
 - b) You own the rights or have the right to use any software, hardware, systems, IP addresses, domain names and other items within the Customer Environment;
 - c) Our entry into and performance of Our obligations under this Contract will not infringe the rights of any third party or cause You to be in breach of any obligations to a third party;
 - d) You have complied and will continue to comply with all applicable statutes, regulations, by-laws and third party contracts and licences and that You have obtained or will obtain any consents or licences necessary for the intended use of the Products or other software used by You, prior to delivery or commencement of the Services and that copies of any such licences or consents will be available on request;
 - e) Your Customer Environment complies with all relevant industry standards (for example IEEE);
 - f) any information, verbal or written, (including without limitation any IP or email address or any domain name) provided to Us both before and subsequent to the date of this Contract, is accurate and complete; and
 - g) You have supplied Us in writing with all information in relation to any existing and previous issues that could reasonably be considered relevant to the performance by Us of the Contract.
27. You acknowledge that Our ability to perform the Contract is dependent upon Your co-operation. You accept the Customer Responsibilities stipulated in the Contract Specification (if applicable) and in addition accept that:
- a) You agree to take all reasonable precautions to safeguard Your business and specifically Your Customer Environment, the Products and all software and data to minimise potential loss or disruption, including (where applicable) implementing effective audit controls, working methods, firewalls, virus checking controls and data security measures. In particular You agree to take useable copies and/or full back ups of all Your software and data at all reasonable times, including prior to Us conducting any work on Your systems;
 - b) You agree to follow the applicable manufacturer's instructions for the Products and to ensure that those authorised to use the Products are adequately trained;
 - c) You agree to make available to Us free of charge all information and access to Your Customer Environment (e.g. relevant passwords) and any equipment, personnel, materials, premises and other facilities and resources which We reasonably require to allow Us to carry out Our obligations;
 - d) You agree to follow any reasonable instructions We give to You prior to and during installation and in respect of Tests, or any subsequent post implementation Services that We provide to You;
 - e) Save as expressly provided for in the Contract Specification (if any) You agree to ensure that Your Customer Environment is in good working order prior to Our conducting any work for You;

- f) Save as expressly provided for in the Contract, You acknowledge that the disposal of Your existing hardware, operating system, or network operating system will be Your responsibility;
- g) You agree that during the term of this Contract and for a period of one (1) year following its termination You will not actively solicit any of Our employees to terminate their employment with Us.
- h) Where We have agreed to provide Services by way of the world wide web, Internet or other electronic medium, You agree to ensure a working connection enabling both inward and outbound communication (including email). You agree to be responsible for maintaining all software and hardware required for ensuring the connection and associated communications. You agree that We do not have nor shall We have any liability for any problem related to a poor, faulty or nonexistent internet connection immaterial of how such a problem has arisen.
- i) Where We have agreed to provide Services by way of the world wide web, Internet or other electronic medium, such as e-Maintenance, You agree that we may use the information, including any personal information You provide Us, for the purpose of providing the Services.. You agree to the transfer of such data to other Canon companies, including Canon Inc. in Japan, or to third party companies, for the purpose of processing that information in order to provide the Services. We will take reasonable steps to ensure that appropriate security measures are put in place to protect any personal information You provide to Us..

BOTH PARTIES RESPONSIBILITIES

- 28.
 - a) It is agreed that both parties will endeavour to implement virus checks on outgoing electronic data. Both parties acknowledge that in the course of our communications with each other, it is both parties' responsibility to conduct sufficient and adequate virus checks on any email, email attachments, diskettes or other electronic media sent prior to opening, formatting or forwarding of them.
 - b) You agree that, subject to the relevant regulations, We may send You marketing emails.
- 29. You acknowledge that ordinary email is not a very secure environment in which to send confidential messages. We believe that Our system is reasonably secure and We have various security procedures to protect Our system. However, We recommend that You do not use ordinary email as a means of sending Us information of a confidential nature.
- 30. Except as may be required by law and other than as necessary for the performance of rights and obligations under this Contract, both parties agree during and after the termination of any Contract to keep confidential all information obtained or received as a result of entering into the Contract including, without limitation any business, business methodology or know how, financial or technical information. This clause shall not apply to the extent that the information is already in the public domain, is in Your or Our possession other than as a result of a breach of this clause or, in respect of information provided by You to Us, is technical information which is already under development by Us or any other Canon company. Both parties agree that if they breach this clause injunctive relief may be sought in addition to damages (such damages being subject to clauses 35 to 37).

LIABILITY

31. "Liability" shall mean liability in or for breach of contract, negligence, misrepresentation, restitution, tort, breach of statutory duty or any other cause of action and howsoever arising under or in connection with the Contract, including without limitation liability expressly provided for under this Contract or arising by reason of the invalidity or unenforceability of any term of the Contract.
32. Nothing in this Contract shall exclude or limit either party's Liability for:
 - a) Fraud; and
 - b) Death or personal injury caused by the negligence of the party, it's servants or agent.
33. Nothing in this contract shall exclude or limit Our Liability for:
 - a) any breach of the obligations implied by s.12 Sale of Goods Act 1979 or s.2 Supply of Goods and Services Act 1982; and
 - b) any other Liability which cannot be excluded or limited by applicable law.
34. Subject to Clauses 35 and 36 We, Our employees or agents are liable for physical damage to tangible property which is caused by defects in the Products or by Our negligence. Neither corruption of magnetic media nor loss of data shall constitute physical damage to tangible property for the purposes of this clause.
35. Save as provided for in Clauses 32 and 33 and subject to Clause 36, Our Liability for loss suffered by You under Clause 34 and for defects in the Products, shall not exceed a sum equal to 125% of the sum of (i) the charges payable by You for the supply of the Equipment and/or Software, and (if applicable) (ii) the charges payable by You for the Services in the preceding 12 months.
36. You agree that to the extent permitted by law and except as otherwise expressly stated in these Conditions all other Liability is excluded by Us. In particular both parties agree that neither will be liable to the other, or anyone else under any circumstances whether in contract, tort or otherwise for any of the following losses or damage (whether such losses or damage were foreseen, foreseeable, known, or otherwise): loss of revenue, loss of actual or anticipated profits (including for loss of profits on contracts); loss of money; loss of anticipated savings; loss of business; loss of opportunity; loss of goodwill; loss of reputation; loss of, damage to or corruption of data; or any indirect or consequential loss or damage howsoever caused (including, for the avoidance of doubt, whether such loss or damage is of the type specified herein.)
37. We will indemnify You against any final judgement, award or settlement made against You in respect of any Products which are held to infringe someone else's UK IPR's. This indemnity will not apply if the infringement is due to:
 - a) Your use of the Products (except for use which is normal and usual and in full compliance with the terms of this Contract and/or the relevant licence terms); and
 - b) in respect of any modifications You have made to the Products.

SECTION ONE

38. As a condition of the indemnity given at Clause 37 You must:
- a) notify Us promptly in writing of any allegation of infringement;
 - b) make no admission relating to the alleged infringement ; and
 - c) allow Us to conduct all negotiations and proceedings and give Us all reasonable assistance.
39. If at any time an allegation of infringement of IPR is made, We may, at Our own expense and option:
- a) modify the Products so as to avoid the infringement or replace the Products with non infringing products, provided that any such modification or replacement does not affect the Products performance; or
 - b) procure for You the right to continue to use the Product free from any liability for such infringement; or
 - c) terminate this Contract immediately on written notice in respect of the affected Product and give a credit for the Product normally depreciated.
40. You agree to indemnify Us and keep Us indemnified against any claim or legal proceedings brought against Us as a result of You breaching this Agreement or in respect of any third party claims which arise from Our performance of Services carried out on the instructions of You or Your authorised representatives.

TERMINATION

41. Unless otherwise agreed in writing, any Contract may be terminated immediately:
- a) upon expiry of 90 days written notice given by either party to the other at any time;
 - b) by You or Us if the other commits an act of bankruptcy or an application is made for an administrator or receiver to manage all or part of the other's assets;
 - c) by You or Us if the other breaks the Contract and it is not put right within 14 days of getting written notice from the other that it has been broken;
 - d) by Us if You don't pay any amount You owe after You have been given 14 days written notice;
 - e) by You if You give Us written notice under the terms of clause 8;
 - f) except where otherwise stated in the event of a fixed period Service being cancelled, You will be refunded a pro rata amount for any period of unexpired Service less any discount You obtained for committing to the fixed period and our administration costs incurred. You agree that You will not otherwise be entitled to any refund for early termination. We reserve the right to charge You for Services which You have received but not yet paid for, partially or fully (for example, early termination of an Advantage contract where some Services are provided from the outset but for which payments are spread over the Contract term).

CONSEQUENCES OF TERMINATION

42. The termination or expiry of any Contract shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either party.
43. Any terms of this Contract which by their nature extend beyond the termination of the Contract shall remain in effect until fulfilled.

MISCELLANEOUS

44. The terms of any Contract cannot be changed unless agreed by one of Our Directors or General Managers.
45. We may from time to time deliver Products to You which You obtain on lease. We may also facilitate the placing of orders for Products between You and third party suppliers and/or contractors. You acknowledge that We are not the agent of any leasing company or other third parties, and that We have no liability in respect of such orders or for the acts or omissions of any third party, including any finance or leasing company.
46. Any Contract will apply to each of the Products provided under it individually. Other than as provided for in Clause 70, if there is a dispute about one or some of the Products, it will not affect the operation of the Contract with respect to any of the other Products being provided under it.
47. Notices that any Contract has been broken or cancelled must be sent by prepaid recorded delivery. Any other notices, including those of a price increase should be sent by ordinary first class post. We will send notices to the address of the property where the Equipment or Software is installed or Services provided unless You tell Us otherwise in writing. You must send all notices to Our registered office. Notices and confirmation of Order will be deemed to have been received 2 working days after despatch.
48. Your rights and Our rights under any Contract will not be affected if either party does not enforce, or delays enforcing, any of these terms.
49. We may assign Our side of any Contract in whole or in part to an associated company of Ours or to an authorised Canon Dealer. If We do so, We will inform You in writing. For the purpose of these Conditions an associated company includes Our parent company, subsidiaries and affiliated companies.
50. You agree that Our provision of Products under this Contract may include the use of sub contractors. To the extent that We sub contract any of Our rights or obligations, We acknowledge that We remain fully responsible for the proper and complete discharge of all such obligations.
51. You may assign or sub-contract Your interest in any Contract to a subsidiary or associated company of Yours if You have Our written permission, which We will not unreasonably withhold.

SECTION ONE

52. If both parties agree, or a court of law decides, that a term of any Contract is illegal or not binding, it will not affect the other terms in the Contract. The term in question will be changed so it is binding and no longer illegal. If that is not possible, We will take it out of the Contract.
53. In this Contract singular means the plural and visa versa and headings do not form part of the Contract and are for reference purposes only
54. We are not liable for delaying, or not carrying out, any of Our duties if caused by circumstances beyond Our control. If such a delay continues for more than 30 days either party can choose to cancel part or all of the Contract or delay carrying out any duty under it. For the avoidance of doubt nothing in this clause shall excuse You from any payment obligations under this Contract.
55. Both parties are independent contractors under any Contract and acknowledge that neither is an agent or partner of the other for any purpose.
56. A person who is not a party to any Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these Conditions.
57. All contracts are governed by English law and come under the exclusive jurisdiction of the English courts, except where any Contract is made in Scotland, in which case it will be governed by Scottish law.
58. You agree not to export outside the UK any Equipment and/or Software (including relevant documentation) supplied by Us which is covered by the Export of Goods (Control) Order 1987 (or any re-enactment thereof) or the Export Administration Act 1979 (as amended) without obtaining all necessary licences thereunder and agree not to sell the Equipment and/or Software within the UK if You know or have reasonable grounds to suspect that the person buying the Equipment and/or Software intends to export it without obtaining the necessary licences. You agree to impose on persons purchasing such Equipment and/or Software obligations corresponding to those set out above.
59. When We have delivered the Equipment to You, You are liable for the risk of any loss or damage to it. This will remain Your risk unless We take the Equipment back so You should insure Yourself against loss or damage.

PART B

SALE TERMS

Clauses 60 to 64 apply to any Contract for the sale of Equipment and/or other items by Us to You.

60. We retain the title in the Equipment and any media on which any Software is supplied until We have received payment for it in full. You have not paid in full until the amount has been credited to Our bank account. You accept that the title in the Software will not pass to You at any time.
61. Until title has passed in the Equipment You must not do, or allow anything to be done, which is inconsistent with Our ownership of it. In particular, You must not alter or sell it or otherwise dispose of it. You must ensure it can be identified as belonging to Us.
62. If You do not make Your payments when they are due, or if before title has passed in the Equipment, You commit any act of bankruptcy, go into liquidation, have a receiver appointed to manage all or part of Your assets or become insolvent then We may enter Your property without giving notice, to take the Equipment and/or Software back and demand any money You owe Us under the Contract.
63. When there is a shortage of Equipment and/or Software for reasons beyond Our control, We will distribute as much as We can to Our customers depending on availability.
64. We will not accept orders for the sale of Print Charge multifunctional device Equipment unless Your order is accompanied by a request for maintenance service for the Equipment as well, unless the Equipment is covered by a manufacturer's warranty.

PART C

CONTRACT SPECIFICATION TERMS

Clauses 65 to 79 apply where we sell, or otherwise provide Services in relation to Products which may be linked to a network or network peripheral device, or otherwise where We provide Managed Services, consultancy or training Services.

65. In order to ensure We provide the Products You need, We may agree with You (at Our discretion) in advance and in writing either a Specification document (“the Contract Specification”) or Connectivity Requirements Document (“CRD”). The CRD will be used only where We provide You with copiers, printers or faxes which will be linked to an existing network.
66. The Contract Specification shall as a minimum set out:
- a) Your agreed technical and consultancy requirements (“ Technical Requirements”);
 - b) Products to be supplied by Us (“ Product Specification”);
 - c) agreed acceptance tests and timescales for them in respect of any Equipment and/or Software provided to You by Us (“Tests”);
 - d) agreed service level requirements for any Services;
 - e) Your responsibilities to enable Us to carry out Our obligations; and
 - f) assumptions and qualifications upon which We have based Our Product Specification.

Once agreed, the Contract Specification or the CRD shall be incorporated as part of the Contract.

67. You accept that We give no warranty in respect of, and that You are responsible for, the accuracy or completeness of the Technical Requirements, or those technical requirements provided in the CRD (as applicable), any specifically requested service level and their suitability for Your business requirements.
68. We will perform the Tests either upon completion of the entire installation, or upon completion of any agreed phase. These will demonstrate that the Product performs substantially to Your Technical Requirements.
69. We will notify You when the Tests will take place and Your duly authorised representative should attend and sign the certificate once the Tests have been successfully completed. Once signed, the Tests certificate is evidence of successful completion of all, or part of, the Contract (as applicable). If Your authorised representative does not attend or if You unreasonably withhold or delay Your acceptance, We will provide You will documentary evidence that the Tests have been successfully completed and acceptance will be deemed to have taken place. Unless otherwise agreed by Us, You agree not to use the Products prior to Your acceptance, other than to complete the Tests. If You do so use the Products, acceptance of the Tests will be deemed to have taken place.

SECTION ONE

70. If the Tests are not successfully completed in accordance with Clauses 68 and 69 and provided that this not due to a reason listed in Clause 94 You agree to allow Us, with both parties bearing their own costs, and within a reasonable time, to remedy any fault in the Products so that the Technical Requirements are met or to substitute alternative equipment, software or other items of the same or similar specification in order to do so. If We are still unable to successfully complete the Tests We will work with You to facilitate the purchase by You of any required additional products in order to achieve successful completion of the Tests. If the Tests are still not successfully completed then You agree to consider any reasonable alternative which We propose (which may include a review of the Specification as provided for in Clause 74). Alternatively, if a Product fails a Test but the Product Specification does perform substantially to Your Technical Requirements, You may cancel the Contract for the Equipment and Software which solely relate to the individual Technical Requirement which We have failed to meet, as evidenced by the Test failure. In this event, We will reimburse You for any undamaged Equipment and/or Software returned to Us. This Clause states Our entire responsibility for failure to meet the Technical Requirements.
71. If the Tests cannot be successfully completed due to a reason listed in Clause 94 You accept that successful completion is deemed to have taken place and payment will be due in accordance with the agreed terms. We may at our discretion provide services in accordance with the terms specified in Part D below.
72. On successful completion of the Tests, We shall be released from any and all obligations and liability arising out of the supply and installation of the Products (other than any agreed on going Services).
73. Both parties can, at any stage, request in writing, a review meeting which will be held as soon as possible.
74. Both parties may in writing request an alteration to any aspect of the Contract Specification or CRD. This will not be binding upon either party until:
- a) both parties have reviewed the request and proposed any other alterations necessary to the Contract as a consequence; and
 - b) all changes and consequent pricing variations have been agreed in writing by both parties.
- If the alteration cannot be agreed then the Contract will remain as originally agreed.
75. We reserve the right to make a reasonable charge for investigating any proposed change requested by You under Clause 74 above, whether or not subsequently implemented and at Our appropriate consultancy rate.

SECTION ONE

76. If You do not sign the Contract Specification or CRD or for any reason it is dis-applied to Our Contract with You, You agree that We may at Our discretion cancel the Contract without liability. If We agree to supply the Products without a Contract Specification or CRD, You agree that Our sole warranty and obligation will be:
- a) that the Equipment and/or Software supplied will perform in accordance with the functions described in Our, or any applicable third party, then published technical specification for the product within the UK, when operated properly and in the manner specified; and
 - b) that any Services provided will be performed with reasonable skill and care.
77. If You can demonstrate to Our reasonable satisfaction that We are in breach of Clauses 76 above, then Clauses 24 and 25 will then apply.
78. You agree that We own all rights (including without limit IPR) in: the Contract Specification or other documents produced; any bespoke Software or Software modifications or developments; any concepts, ideas (including all aspects of technology) or other information which exist or are produced by Us pursuant to the provision of the Products. None of the above should be disclosed to any third party without Our prior written permission. We may licence You to use such rights only to the extent agreed by Us in writing.
79. For the avoidance of doubt We do not represent that the Contract Specification or CRD will continue to meet the Technical Requirements should Your Customer Environment alter from that on which they were based and/or the Contract Specification or CRD was either prepared or installed or Your Technical Requirements alter (other than as provided for under Clause 74) or are incomplete.

PART D

SERVICES TERMS

Clauses 80 to 104 apply to any Contract for the provision of Services.

SCOPE OF SERVICES

80. We will provide to You the Services specified in the Contract, in accordance with the charges and payment structure agreed.
81. We may agree separate service levels and other appropriate ancillary terms with You in writing. These may specify response times, helpline support and other specific service details. Our charges will reflect these service levels agreed with You.

INSTALLATION AND MAINTENANCE

82. a) Where specifically notified to You in writing, We will provide preventative maintenance. Otherwise, We will service the Equipment when You have notified Us of a fault and it has been used properly. At Our option We will either repair the faulty Equipment and/or part exchange it with one in good working order (including use of appropriate second hand products). Replaced parts of a repairable or reusable nature become Our property.
- b) If You ask Us to remove Your existing equipment, then subject to Our agreement and any applicable charges, You agree to take all necessary steps to procure that title in that equipment passes to Us on collection. Further, You agree that the equipment can be disposed of by Us, by whatever method We deem appropriate, and in accordance with all applicable laws and regulations.
83. Provision of Service and installation of non Canon manufactured Products are subject to availability to Us of the necessary parts and third party support services.
84. You agree to let Our service technician or authorised representative into the property where the Equipment and/or Software is installed in Your normal working hours (or as needed to allow Us to meet Our obligations) to inspect, repair and service the Equipment, take meter readings and a copy of the service log (if appropriate). We will follow any reasonable health and safety rules which may apply at Your premises. You agree to be responsible for providing any personal protective equipment for our staff which are appropriate to their working environment whilst on Your premises. You agree that We may suspend Services without liability, if in Our reasonable opinion Our staff are at risk.
85. You agree to tell Us in writing if You intend to move the Equipment and/or Software in order that We may update Our service records. If the Equipment or Software is moved, We reserve the right to immediately alter Our charges or to terminate the Contract.
86. You agree to follow any procedures for problem determination, and any requests that We reasonably make.

SOFTWARE SERVICES

- 87. Where We have agreed to do so under a Contract We will provide telephone assistance, remote access and/or at Our discretion attendance at the installation address for reporting, diagnosing and correcting Software faults, or as otherwise specified in the appropriate Schedule. You acknowledge that We may not successfully diagnose or correct all faults or errors.
- 88. Where You have agreed to allow Us remote access to Your network for maintenance and/or fault investigation You acknowledge that this may necessitate a complete or partial shut down of Your network in certain circumstances. We will give You as much notice as is possible (depending on the particular need for access at that time) and You agree to take full back up of all data prior to such access taking place.
- 89. We may provide Software upgrade versions when they are available to Us and You request them. You agree such upgrades, where available, will only be provided for such periods as We, in Our sole discretion, consider commercially viable. You are responsible for ensuring that any Software upgrades are compatible with and suitable for Your requirements. Software upgrades will be charged separately unless otherwise agreed in writing.

MANAGED SERVICES

- 90. If We contract to provide Managed Services these may vary in scope and content but will be specified and agreed by both parties in writing in the Contract.

TRAINING AND CONSULTANCY

- 91. Where We agree to provide training and consultancy advice You are responsible for ensuring that We have a detailed, comprehensive and accurate briefing document which accurately details Your requirements and to make available all relevant information, resources and documents to enable Us to provide the Services.
- 92. If agreed by Us, Your agreement will include an agreed training and/or consultancy schedule that is incorporated into the charges. If no such schedule is agreed, or if You require additional training and/or consultancy then We will charge You at our standard rates (prevailing from time to time) which shall include any reasonable travelling and subsistence properly incurred in the course of providing such Services. Depending on the scope of Services provided, personnel may not be based locally to You.
- 93. In the event that You cancel a booking for training and/or consultancy, We reserve the right to charge cancellation fees according to the following scale:
 - a) if cancellation occurs 14 or more days prior to the scheduled attendance date, no cancellation charge shall be payable;
 - b) if cancellation occurs between 3 to 14 days (inclusive) prior to the scheduled attendance date, 50% of the cost of the booking shall be payable; and
 - c) if cancellation occurs 2 or less days prior to the scheduled attendance date, 100% of the cost of the booking shall be payable.

EXCLUSIONS

94. Unless agreed otherwise in writing by Us, We will have no liability for, and Services do not cover work needed;
- a) because You have not used, stored (including failure to provide correct environmental conditions) or handled the Equipment and/or Software properly;
 - b) because You are in breach of the terms of any Contract or have not followed Our written instructions for the Equipment and/or Software, or those of the manufacturer;
 - c) because of any disconnection and reconnection of the Equipment, including any preparation necessary for safe transit;
 - d) on a bank or public holiday;
 - e) before 9am or after 5pm Monday to Friday or other working hours agreed by Us in writing;
 - f) because of the installation of, damage to, or modification of the Equipment and/or Software by someone else other than Our representatives or because of changes required by You or a third party;
 - g) because You connected other fittings or accessories to the Equipment and/or Software which We have not approved;
 - h) because of external causes outside Our control which shall include accident, disaster, electrical fault, fault within the internet connection or burglary;
 - i) because of any malfunction or specific requirement of any other item of hardware or software which You have linked to the Equipment and/or Software;
 - j) in respect of items not included in the Contract;
 - k) to correct errors in any non Canon proprietary software or other software not supplied by Us;
 - l) because data is lost or damaged;
 - m) because You have made changes to Your Customer Environment including, Equipment or Software, operating or network operating system, client application software, other software application utilities or other items of hardware (other than as agreed under the provisions of Clause 74);
 - n) because You have altered Your Technical Requirements (where relevant) other than as agreed under the provisions of Clause 74;
 - o) because You have not installed or maintained any error correction, current software upgrades or new releases supplied or made generally available by Us or other relevant third party suppliers or have otherwise not followed Our, or third party supplier's instructions or advice;
 - p) because You have not complied with the Contract terms, specifically Clauses 26 and 27;
 - q) because of a repair necessitated by a virus (or similar) in Your system;
 - r) because the Product demonstrates a fault for which the third party manufacturer has not/does not intend to release a correction;
 - s) because a third party manufacturer no longer provides the necessary spare parts.

We may in Our discretion provide services in the above circumstances at Our then current hourly and materials charges.

95. The Products supplied are designed to work at their best using spare parts or other replaceable items (such as consumables) made or recommended for use, by Us (or the third party manufacturer). If anything else is used, You may experience loss of quality or performance to the Products. If this were to occur, We cannot be held liable for any complaint concerning this poor performance. Furthermore there could be instances where the use of such other products may cause actual damage to the Product and in such an event We reserve the right to refuse to carry out repairs or charge for such repairs and all associated costs and We may be obliged to withdraw Service entirely.
96. We will only be responsible for supplying consumable items as specifically agreed by Us in writing. For Canon Equipment, and unless otherwise agreed by Us, We will provide parts and items that need replacing except items such as copying media (e.g. paper), cartridges, staples, ink sheets and toner.

CHARGES

97. a) Unless agreed otherwise in writing by Us, the Print Charge specified in the pricing schedule will be based on A4 prints. A3 size print/copy will be charged from 1.5 times that for A4.
b) Where specified in Your service agreement, toner for Your colour Equipment is included free of charge provided always that if Your usage over any 6 month period exceeds the equivalent of what would be expected at 50% A4 document coverage We reserve the right to charge You for the additional toner provided. Details of how We calculate expected percentage coverage are available from Us on request.
98. You agree to pay Us a call out fee in accordance with Our then current charges for any on-site visit not covered under the Contract.
99. If We arrange, at Your request, for the provision of a Third Party Support and/or Maintenance contract then We may, at Our discretion, arrange to pay the sums due under that Third party Contract, on Your behalf. You will remain liable to refund Us for any such payment made. However, We may allow You to repay Us by way of periodical payments over the length of the Third party Contract. In such case, the payment schedule will be agreed with You and the following will apply:
a) You agree that the sum repaid to Us will include an administration charge; and
b) You accept that You will continue to be contractually liable for the full amount payable under the Third Party Contract. If You cancel Your Service including the Third Party Contract prior to the agreed termination date, You must immediately pay Us the full amount outstanding including the administration charge referred to in sub-clause a) above.

SECTION ONE

100. We will determine the type of payment schedule that will apply to Your Products. Unless otherwise specified in Your Service Agreement, one of the following provisions (Clauses 101, 102, 103 or 104) will apply.
101. If Clauses 102, 103 & 104 below do not apply, You agree to provide Us with meter readings for the Equipment in the format specified by Us, as and when requested. If We do not receive these We will either:
- arrange for one of Our service technicians to take the meter reading when they have serviced the Equipment; or
 - use Our records of Your previous readings to estimate the amount if We have not got an actual reading.

Any difference between estimated and actual readings will be reconciled when We receive the next actual meter reading.

102. We may at Our discretion, agree with You the provision of a flat payment plan which will on commencement, allow You to pay some or all of Your Service charges for the next 12 months, quarterly in advance or arrears (at Our discretion) by direct debit. In such cases the payment schedule will be agreed with You and the following will apply:
- The payment schedule will be calculated on the estimated number of copies both parties agree will be made by You in the next 12 month period.
 - If the charges are increased in accordance with Clause 8 above, such increases will not apply to Your existing 12 month period for the flat payment plan but will automatically apply to the next 12 month period.
 - At the end of each 12 month period, Your account will be reconciled. If You have used less copies than estimated we will credit Your account accordingly. If You have used more copies than estimated, You will have to pay for the additional copies at the agreed rate within 30 days of written notification.
 - We will require You to submit one meter reading per machine 7 days prior to the end of each 12 month period for the purposes of reconciliation. If You fail to provide this any subsequent reconciliation will be at the rate prevailing at the time of reconciliation, not the rate agreed in the 12 month period to which the reconciliation relates.
 - If You cancel the Direct debit during the course of a 12-month period, You agree to pay an additional charge (not exceeding 2% of the annual figure) to cover Our administration costs.

103. We may at Our discretion agree with You the provision of a fixed payment plan which will, upon commencement, allow You to pay all of Your agreed fixed Service charges for the next 12 months, quarterly in advance and by direct debit. In such cases the payment schedule will be agreed with You and the following will apply:
- a) If You cancel the Direct debit mandate it will be deemed to be a breach of the Contract and We can terminate in accordance with Clause 41;
 - b) In addition to Our contractual right to increase charges, You agree that every 12 month period, We will review Your usage and Our Service costs. Thereafter, We will either notify You of any adjustment required to the fixed quarterly fee or suggest an alternative payment scheme to You.
104. We may, at Our discretion and subject to Your agreement, offer a lower price for print charges in consideration of You agreeing to be subject to a Minimum Quarterly Volume (“MQV”). The relevant payment schedule will specify the agreed MQV, Contract Period and Print Charge. In addition, the following terms will apply:
- a) Unless agreed otherwise by Us in writing We will invoice You on a quarterly basis either in advance or in arrears (at Our option). The relevant charge shall be made up of the MQV multiplied by the agreed Print Charge. The charge will not be reduced if You have made less copies in the quarter than required.
 - b) Two weeks prior to the end of each 12-month period You must provide Us with meter readings. If You do not, We will estimate, based on service readings and this will be deemed to be the final reading for the applicable 12 month period.
 - c) At the end of each 12-month period, We will (if applicable) invoice You for any copies taken during that period in excess of 4 times the MQV. This will be calculated using the agreed Print Charge.
 - d) You may give Us 90 days written notice that You no longer wish to be subject to a MQV. For the avoidance of doubt You agree to pay any invoice raised due within the notice period. At the end of the notice period We will undertake a final reconciliation and where applicable We will invoice You for any copies in excess of the committed quarterly volume. On expiry of the notice period Your ongoing print charge rate will be the standard print charge rate as stipulated in the relevant payment schedule plus any annual increases (if applicable). The provisions of Clause 101 will then apply.
 - e) On termination of the Contract in accordance with Clause 41, the invoicing provisions of Clause 104 (d) will apply.

CUSTOMER CHECKLIST

Customers should read this before signing any hire agreements:

1. Make it clear within your organisation who is authorised to sign hire agreements.
2. Ensure that the supplier of any equipment is reputable and an accredited Supplier of the equipment involved.
3. Check the name of the leasing company, and where relevant its parent company, on the front page of the hire agreement which you sign and whether this company is a member of the Finance & Leasing Association. FLA members are required to ensure that their contracts are clear and unambiguous.
4. Check with the supplier that the equipment is new, or if not, that used or refurbished equipment is suitable for your requirements.
5. Ensure that the period of hire is not longer than the expected working life of the equipment involved.
6. Read your agreement carefully before signing it and ensure it is correct, particularly in respect of the rental amount and the period of hire. Never sign an agreement which is not fully completed.
7. Make sure you understand and agree with all terms and conditions of the agreement, and if you are unsure, seek advice.
8. Make sure you understand the costs involved, and whether the agreement allows for any automatic increases in charges.
9. Check the period of hire and any notice period required for its termination and the settlement terms to be applied on early termination.
10. Check whether the agreement includes the supply of service(s) and whether this will continue after any minimum or initial period of hire. If you are entering into a separate contract for the provision of service you should check its terms carefully.
11. If any amendments are made to your contract or a further contract is required to replace an existing one - do not sign it until you have made the same checks as you did for the original agreement.

- 21. AGENCY** Neither the Supplier nor any other person not directly employed by BFS has any authority to act as BFS' agent or to make commitments in relation to this Hire Agreement. Subject to the agency described in Term 5 of this Hire Agreement, BFS does not act as the Supplier's agent in any other respect. For the avoidance of doubt, save as may expressly be provided for in this Hire Agreement, no party is or will be the agent of any other party for any purpose.
- 22. SET OFF** If any monies are payable to You under this Hire Agreement by BFS, BFS may withhold from those monies an amount equal to the total monies You owe BFS under this account.
- 23. CONTRACTS (RIGHTS OF THIRD PARTIES)** A person who is not a party to this Hire Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Hire Agreement.
- 24. LAWS GOVERNING THIS HIRE AGREEMENT** This Hire Agreement is governed by English law except where this Hire Agreement is made in Scotland in which case it will be governed by Scottish law.
- BFS, is a trading style of GE Capital Equipment Finance Ltd, Registered Office: Meridian, Trinity Square, 23/59 Staines Road, Hounslow, Middlesex, TW3 3HF Registered in England: 1102466

Any notice that You or BFS need to give under this Hire Agreement must be sent by first class post to the address shown in the Hire Agreement Schedule or any other address You or BFS have been told about in writing. Notice will be assumed to have been served 48 hours after it has been posted.

20. NOTICES

BFS' rights under this Hire Agreement will not be affected if BFS does not enforce, or delays enforcing, any of these terms.

19. BFS' RIGHTS

If Your business consists of more than one person You will each be liable individually as well as together for the full extent of the commitments made under this Hire Agreement.

18. JOINT AND SEPARATE LIABILITY

- receive payment of insurance monies direct from the insurers.
- (e) Your signature of this Agreement shall be deemed to be your authorisation to BFS to against your liability under this Agreement.
- (d) Your signature of this Agreement shall be deemed to be your authorisation to the insurer to release any insurance monies to BFS and BFS will apply such monies
- (c) Any insurance proceeds received by BFS in respect of such Total Loss shall be applied in satisfaction of your payment obligations to BFS under this Agreement.
- (b) Upon payment of such amount the hiring of the Products shall terminate:
- (i) of this Agreement less a discount of 3% per annum.
- (ii) the residual value (if any) of the Products assumed by BFS at the commencement of this Agreement
- (iii) all Rentals you would have been obliged to pay had the hiring continued for the remainder of the Minimum Period but for the Total Loss, each Rental discounted at the rate of 3% per annum to the date each Rental would have fallen due to reflect early payment.
- (i) all Rentals and any amounts already due to BFS at the date of the Total Loss; and
- (ii) all Rentals you would have been obliged to pay had the hiring continued for the remainder of the Minimum Period but for the Total Loss, each Rental discounted at the rate of 3% per annum to the date each Rental would have fallen due to reflect early payment.
- (iii) the residual value (if any) of the Products assumed by BFS at the commencement of this Agreement less a discount of 3% per annum.
- (c) Any insurance proceeds received by BFS in respect of such Total Loss shall be applied in satisfaction of your payment obligations to BFS under this Agreement.
- (d) Your signature of this Agreement shall be deemed to be your authorisation to the insurer to release any insurance monies to BFS and BFS will apply such monies against your liability under this Agreement.
- (e) Your signature of this Agreement shall be deemed to be your authorisation to BFS to receive payment of insurance monies direct from the insurers.

17. TOTAL LOSS

- a) If the Products are lost, stolen, destroyed or damaged beyond repair ("Total Loss") then you shall promptly notify BFS in writing on the next Rental Date following such Total Loss or, if none, on the last day of this Agreement, you shall pay to BFS by way of additional Rental an amount equal to the following:

16. RETURN OF PRODUCTS

- a) BFS owns the Products throughout the period of hire, and when this Hire Agreement expires, or is terminated under Term 8 or Term 11, You must return the Products within fourteen days, in Average Saleable Condition to an address nominated by BFS with the United Kingdom. If You do not, You must continue to pay Rentals on a pro rata basis until the Products are received and accepted by BFS. "Average Saleable Condition" means that all of the Products are immediately available for use by a third party, user or lessee, other than You, without the need for repair or refurbishment.
- b) All Products must be free from all markings or labels installed by You which are not necessary for the operation, maintenance or repair of the Products. You will pay BFS for any missing or defective parts or accessories. The Products must be properly packed for shipment in accordance with the manufacturer's recommendations and specifications, freight pre-paid and insured. If You fail to do so You will be liable for BFS' costs incurred in recovering the Products and/or restoring them to good operating order.
- c) If You do not return the Products to BFS, in accordance with Term 16 a), BFS and/or their agents may enter into any premises where such Products are believed to be located in order to repossess them.
- d) In the event that BFS is prevented from recovering the Products, or that they are no longer in Your possession, You will be liable to pay BFS on demand a sum equal to the estimated average fair market value of similar products of like age. Where the Products consist of Software, You are under no obligation to return the medium on which it is stored, or training manuals to BFS, as they are given to You, not hired. This does not affect any arrangement You may have reached with the licensor of the Software.
- e) If any part of the Products consists of Software, You must stop using the Software immediately and allow BFS to ensure the Software is no longer in use

- a) You will be responsible for any costs BFS incurs in recovering money You owe BFS, including charges for each letter BFS sends You as a result of Your non payment, any visit made to Your last known address to trace You or the Products, the issue of any default termination, insolvency or enforcement notices or legal proceedings, BFS' costs in enforcing any sums payable by You to BFS under this Agreement or recovering the Products. In addition, BFS may charge interest on all overdue amounts at the rate of 2.5% per month calculated on a daily basis, or £25, whichever is the greater or as ordered by the court. If BFS obtains court judgment against You for the outstanding amount, You agree that the statutory rate of interest shall not apply. The interest shall apply both before and after judgment is obtained (such obligation to be independent of and not to merge with the judgment). BFS shall also charge You the sum of £25 each time BFS represents an unpaid direct debit or cheque in respect of this Hire Agreement.
- b) You will be responsible for paying BFS' charges (up to any statutory maximum) for sending You on request copies of invoices, VAT schedules, rental histories, copy agreements or any other information about this Hire Agreement with BFS to You or Your agents; changing Your personal details, business details, or bank details on BFS records, varying the terms of this Hire Agreement with BFS at Your request or transferring Your liability to another person.

15. COSTS AND INTEREST AND OTHER CHARGES

Upon the satisfaction of all the conditions above, this Hire Agreement will end.

- a) You have given BFS a new agreement which sets out the New Products and Retained Products;
- b) You have complied fully with all Your obligations under this Hire Agreement and are, in BFS' sole opinion, in a satisfactory financial condition when You give BFS the new agreement in a) above;
- c) In the case of the extension option BFS must agree that the Retained Products will have a supportable life at least equal to the New Minimum Period;
- d) You have (if applicable) agreed the supply of New Products and the return of any Products with the Supplier;
- e) BFS has made a new agreement with You incorporating Your chosen option under Term 13 on BFS' standard terms which apply at the date when You exercise Your option.

The conditions that must be fulfilled before the extension option or cotermious option takes effect under Term 13 are as follows:

14. CONDITIONS UNDER WHICH YOU MAY CHANGE AND/OR ADD PRODUCTS

13. CHANGE OPTIONS

During the Minimum Period of this Hire Agreement You may change and/or add Products on the terms set out in this Hire Agreement provided that You meet the conditions set out in Term 14 below and enter into a new agreement with BFS.

- Extension Option
- a) You may add products ('New Products') to products You wish to retain ('Retained Products') all of which will be let to You for a new minimum period of hire ('New Minimum Period'). The New Minimum Period shall not be longer than the remaining supportable life of the Retained Products. It will start on the date of our acceptance of the new agreement ('Start Date'). The rental for the New Products will be calculated using the market rate which applies when You exercise Your option.
- b) The rental for the Retained Products will be the Rental under this Hire Agreement (less any Maintenance Payment) reduced by a percentage, set by BFS and notified to You at the time You exercise Your option which applies to the Payment Period in which You exercise Your option. The rental for the New Products will be added to the rental for the Retained Products. This sum, together with any Maintenance Payment, will be the new rental under the new agreement. If You have paid another Rental after BFS has calculated the percentage for the Retained Products rental reduction, but before BFS has sent You Your new agreement, BFS will reduce the Retained Products rental and notify You.
- Coterminous Option
- a) You may add New Products for a new Minimum Period equal to the unexpired part of the original Minimum Period ('New Minimum Period'). The new rental will be the Rental for the Retained Products (which will not change) plus the rental for the New Products together with any Maintenance Payment for the New Products. The rental for the New Products will be calculated using the market rate which applies when You exercise Your option.
- b) If the Start Date falls later in a Payment Period than the date on which You exercise Your option, BFS will increase the rental relating to the New Products to take account of the reduced New Minimum Period.

- a) all Rentals and any other amounts already due to BFS; and
- b) all Rentals You would have been obliged to pay had the hiring continued for the remainder of the Minimum Period, each Rental discounted at the rate of 3% per annum to the date each Rental would have fallen due to reflect any early payment; less
- c) the money from selling the Products after deduction of all BFS' expenses;
- d) Where Maintenance Payments are collected together with the Rentals under this Hire Agreement You will not be required to pay the Maintenance Payments under Term 12(b) above. If the maintenance arrangements are terminated, the Supplier may make a separate claim for compensation in respect of the Maintenance Payments which would have been payable after the date of termination in accordance with the terms of the maintenance arrangements.
- When BFS brings the hiring to an end for one of the reasons given in Term 11 above, You must return the Products as provided in Term 16 and pay BFS:

12. WHAT YOU MUST DO

- Any of which will be considered as a 'Reputation' of this Hire Agreement. Reputation is when You indicate that You no longer intend to keep to this Hire Agreement and BFS may give You notice that Your right to possession of the Products is terminated and make arrangements for their recovery.
- a) You do not keep to this Hire Agreement;
- b) You do not pay Your Rentals on time;
- c) You do not carry out any of Your duties under this Hire Agreement;
- d) You or any guarantor of this Hire Agreement have an order against You to wind up Your business or are put into administration;
- e) an administrator, liquidator or receiver is appointed to manage (or in Scotland and any pooling or arrestment is made against) all or part of Your assets; or
- f) You or any guarantor of this Hire Agreement are unable to pay Your debts when they are due or You are declared bankrupt or in Scotland become apparently insolvent (as defined in the Bankruptcy (Scotland) Act 1985).
- g) You or any guarantor of this Hire Agreement do not carry out Your duties under any other agreement with BFS;
- h) You transfer or dispose of all or a material part of Your assets or undertaking or shall cease or threaten to cease to carry on all or a substantial part of Your business or make a material change to Your business;
- i) the current ultimate majority shareholder ceases to have ultimate majority ownership of your issued share capital;
- j) there is a material adverse change to the financial condition of You or Your holding company.
- BFS can bring the hiring under this Hire Agreement to an end if any of the following happens:

11. REASONS FOR BRINGING THE HIRING UNDER THIS HIRE AGREEMENT TO AN END

10. YOUR DUTIES UNDER THIS HIRE AGREEMENT

You must:

- a) follow the manufacturer's instructions for using the Products and the instructions from the Supplier on the type of paper and other items You should use and how to store them;
- b) keep the Products in good condition, use them properly and be responsible for and notify BFS immediately of any loss or damage to the Products;
- c) not move the Products, add fittings to them or alter them in any way unless You have permission from BFS;
- d) use the Products in connection with Your business described in the Hire Agreement Schedule, and not do anything that interferes with BFS' ownership (including if the Products are kept on rented property in Scotland, ensuring that they will not form part of the landlord's hypothec - this means they cannot be used as security for a debt);
- e) pay for any loss or damage to the Products;
- f) fully indemnify BFS against any loss, damage or injury (including death) to persons or property caused by the Products or Your misuse of the Products, except for death or personal injury caused by BFS' negligence;
- g) not sell or part with the possession of the Products, or transfer this Hire Agreement to anyone else;
- h) agree to take all reasonable precautions to safeguard Your systems, data and software to minimise potential loss or disruption (including without limitation taking full back ups of all Your software and data at all reasonable times), including prior to the Supplier or other party conducting any work on Your systems, implementing audit controls, working methods and data security measures.

- a) Payment of Rentals
- You must punctually pay all Rentals and other sums due together with VAT to BFS under the terms of the Financial Details set out in the Hire Agreement Schedule because prompt payment is vital to, and a condition of, this Hire Agreement. All Rentals and other sums due under this Hire Agreement shall be made without deduction, set off, counter claim or withholding. You acknowledge that Your obligation to pay Rentals and other sums due shall be absolute and unconditional and shall not be affected by the Products being inoperative for any reason or defective in any way, including the failure or delay of any person to comply with its obligations to You under any maintenance, service or other contracts.
- b) VAT Changes
- BFS may adjust the Rentals if the current rate of VAT changes.
- c) Tax Increases
- In calculating the Rentals payable under this Hire Agreement BFS has assumed that during the period of this Hire Agreement tax law or practice and the standard rate of corporation tax will remain the same as applicable at the date of BFS' acceptance. If during the period of the Hire Agreement there are any changes to tax law or practice or to the standard rate of corporation tax which decrease BFS' after tax rate of return BFS may, at BFS' discretion, increase the Rentals to preserve BFS' after tax return provided BFS gives You 7 days prior written notice of the change in Rentals.
- d) Method of Payment
- If when You entered into this Agreement You agreed to pay Your Rentals by direct debit and if You change the way You pay You will have to pay an extra 2% to cover the additional administration costs.
- e) Late Payment
- It is a condition of this Hire Agreement that You must pay all Rentals on time. If You do not pay Rentals on time BFS may charge interest on the amount You owe BFS, in accordance with Term 15.
- f) Maintenance Payments
- If Maintenance Payments are included in the Rentals under this Hire Agreement and Your maintenance arrangements with the Supplier allow for these charges to be increased, BFS will increase Rentals by the amount of any increase in the Maintenance Payments notified to BFS by the Supplier from time to time, in accordance with the terms of the maintenance arrangements.

9. RENTALS

- b) Where Maintenance Payments are payable with the Rentals under this Hire Agreement You will not be required to pay the Maintenance Payments under Term 8(a)(ii) above. If You terminate the maintenance arrangements, the Supplier may make a separate claim for compensation in respect of the Maintenance Payments which would have been payable after the date of termination in accordance with the terms of the maintenance arrangements.

8. EARLY TERMINATION BY YOU

6. INSURANCE

- a) You must insure the Products until they are returned to BFS against any loss (including total loss) or damage from all risks and against third party losses. The amount You insure the Products for must be at least the full cost of replacing them as new.
- b) You must arrange for BFS' interest in the Products to be endorsed on the insurance policy and show proof of the policy if BFS asks for it. If You do not provide this proof within 30 days of the date of this Agreement BFS may at BFS' option arrange for the Products to be protected by BFS at Your expense and collect BFS' charge for this with each Rental. In the event of a claim BFS will use the proceeds to replace or repair the Products or as BFS may otherwise decide is appropriate in the circumstances. Any replacement products under Your insurance policy or protected by BFS will belong to BFS.

7. SOFTWARE

- a) When a part of the Products consists of one or more computer disks, tapes or other media which are recorded computer programs in machine readable form ("Software"), either:
- i) BFS will obtain from the Supplier a licence in relation to the Software and grant to You a sub-licence to use it (in place of any pre-existing licence); or
- ii) the Supplier (or a third party) will grant You a licence to use the Software. It is Your responsibility to ensure that You remain properly licensed to use such Software for the duration of this Hire Agreement.
- b) You undertake to comply with all the terms of the licence which will incorporate the Supplier's standard terms and conditions for the use of the Software, whether BFS grants it or the Supplier does.
- c) You acknowledge that the Software is provided for Your specific purpose, and as such, You must obtain any warranties or guarantees You require in respect of the Software and its suitability for purpose directly from the Supplier in writing. BFS excludes all express or implied warranties, conditions or guarantees relating to any Software. Under no circumstances will BFS be responsible for any consequential loss arising out of the use of the Software.

8. EARLY TERMINATION BY YOU

- a) You may terminate this Hire Agreement at any time during the Minimum Period of Hire, by returning the Products as provided in Term 16 and giving BFS 3 months' written notice that You wish to do so and paying BFS:
- i) all Rentals and any other amounts already due to BFS; and
- ii) all Rentals You would have been obliged to pay had the hiring continued for the remainder of the Minimum Period, each Rental discounted at the rate of 3% per annum to the date each Rental would have fallen due to reflect any early payment.

- (e) If the law does require any terms to be implied into this Hire Agreement, despite the agreement between You and BFS that none are implied, You agree that BFS is not liable for breach of them. This is because if the risk of breach of any such terms had been allocated differently BFS would have charged a higher rental. Furthermore because the Products have been selected by You and the suitability of the Product has been discussed and agreed with the Supplier and BFS is not an expert in such Products but merely a financier, BFS is not in a position to evaluate and therefore cannot insure against the risk of breach, whereas You are in a better position to do so. In no event will BFS' liability under this Hire Agreement exceed the aggregate of the Rentals (less any Maintenance Charges included) paid by You at the time the liability arises.
- (g) Unless death or injury is caused to any person as a result of BFS' negligence, in no event will BFS be liable to You in contract, tort or otherwise including any liability for negligence:
- (i) for any loss of revenue, business, anticipated savings or profits or any loss of use or value; or
- (ii) for any indirect or consequential loss
- however it happens; "Anticipated savings" means any expense, which You expect to avoid or reduce.
- 5. MAINTENANCE**
- If You have a separate maintenance arrangement whereby the Supplier provides maintenance to You, BFS will collect the Maintenance Payments together with the Rentals payable under this Hire Agreement and the following terms will apply:
- a) BFS will act as agent for the Supplier to collect these Maintenance Payments which will have been agreed between the Supplier and You.
- b) The Supplier is responsible for providing Maintenance service, including Software maintenance, in accordance with the terms of the maintenance arrangements which the Supplier has entered into with You. BFS accepts no responsibility for carrying out maintenance service.
- c) If You fail to pay the Rentals to BFS, BFS will not pay the Maintenance Payments due to the Supplier, who as a result, may be entitled to withdraw Maintenance. This will not affect Your obligations to BFS under this Hire Agreement.
- d) If the Supplier is no longer able to provide Maintenance under the terms of the maintenance arrangements, You may give us not less than 30 days' notice in writing that You wish to end the arrangement for the inclusion of Maintenance Payments. BFS will deduct the amount of the Maintenance Payments from the Rentals starting from the next date on which payment is due following the expiry of the notice. Ending the inclusion of Maintenance Payments may not end Your rights and duties under Your maintenance arrangements with the Supplier.
- e) If Maintenance charges become payable in addition to the Maintenance Payments outside the terms contained in this Hire Agreement You will have to pay for them separately. Any such charges will be negotiated with and payable directly to the Supplier.

SECTION TWO**HIRE AGREEMENT**

The terms and conditions ('Hire Terms') set out in this Section Two apply to any agreement between You the Hirer ('You/Your') and Business Finance Solutions ('BFS') a trading style of GE Capital Equipment Finance Ltd, for the supply of Products, other than an agreement regulated by the Consumer Credit Act 1974. These terms do not apply to Canon.

The Hire Terms set out in this Section Two do not apply if you have an agreement regulated by the Consumer Credit Act 1974. Please see your regulated agreement for the correct terms and conditions if applicable.

1. AGREEMENT

a) These Hire Terms and the terms set out in section 2 of the Client Agreement Schedule detailing the Products You agree to hire, Your details and the financial terms of hire ('Hire Agreement Schedule'), make up Your agreement with BFS for the provision of Products ('Hire Agreement'). You (the Hirer) agree to hire the Products for use in the course of Your business from BFS under the terms of this Hire Agreement. This Hire Agreement incorporates all of the terms agreed between You and BFS. It cannot be varied except by a document signed by You and BFS on or after the date when it commences.

b) BFS excludes all claims or statements made before You sign this Hire Agreement (other than fraudulent misrepresentations).

c) In this Hire Agreement "Products" will include the equipment (including any accessories and ancillary items), software and services as detailed in the Hire Agreement Schedule.

d) "Maintenance Payments" do not include print charge maintenance. "Supplier" means Canon (UK) Ltd.

2.**LENGTH OF THE HIRE AGREEMENT**

a) This Hire Agreement starts on the date of BFS' acceptance even if the Products detailed in the Hire Agreement Schedule have not been at that time fully installed, or connected to a network facility, where applicable. Subject to Your termination right in Term 8, and BFS' right to bring the Hire Agreement to an end as set out in Term 11, this Hire Agreement will continue until 3 months' notice of cancellation is given in writing by either You or BFS, such notice to expire at the end of the Minimum Period or at the end of any 3 month period thereafter.

INTRODUCTION

This booklet contains terms and conditions for Canon (UK) Ltd Business Solutions and Business Finance Solutions ("BFS"), a trading style of GE Capital Equipment Finance Ltd, part of GE - Capital Solutions.

BFS and Canon are separate companies and act as independent contractors. BFS is dedicated to the provision of financial services for customers of Canon.

Section One (see reverse of this book) sets out the terms and conditions that apply to all orders and contracts between You, the customer and Canon's Business Solutions. These terms do not form part of Your contract with BFS.

Section Two (overleaf) sets out the terms and conditions that apply to all financial arrangements between You and BFS, other than financial arrangements regulated by the Consumer Credit Act 1974. These terms do not form part of Your contract with Canon.

Neither Canon nor BFS are liable to You for the performance of the other's contract with You.