

Standard Terms & Conditions of Contract

1. Definitions

1.1. Scope: This document defines the general terms (and provides additional explanation to clarify and amplify those terms) that shall apply to all contractual agreements involving CriTec Consult Limited.

1.2. The parties: CriTec Consult Limited Ltd of England (hereinafter known as 'CriTec') and the Client: 'the Client' is the party with whom a contract of supply exists.

1.3 The contract relationship is one of client and supplier and is not intended by either party to represent a relationship of employer/employee.

2. Statement of Professional Standards

2.1. CriTec will conduct its business in accordance with the professional standards laid down by the Code of Professional Conduct of the [Association of Security Consultants \(ASC\)](#)

2.2. In particular, we will abide by Principles of the Code regarding 'high standards of service to the client' and 'independence, objectivity and integrity.'

3. Performance

3.1. All commitments with respect to the timing and scope of a project given to the client by CriTec - whether verbal or written - are made in good faith but are made necessarily in advance of knowing the full scope of the difficulty that may pertain to performance on specific points (for example, un-foreseeable difficulty in obtaining certain information requested by the client). For this reason, whilst CriTec agrees to use its best endeavours to fulfil such commitments to clients on the timing and the scope of consultancy and other projects we cannot guarantee performance in either respect.

3.2. Where the contract specifies that our service will be provided by a named individual, CriTec agrees to take all reasonable steps to ensure that these persons will remain on these assignments for the full length of the contract.

3.3. However, CriTec reserve the right to substitute labour (both internal and external), at its sole discretion, on the basis that all substitute labour will have the required skills, experience, qualifications and security clearance to fulfil CriTec's obligations under the contract.

4. Confidentiality

4.1. CriTec agrees to hold all information provided by the Client confidential where the client so specifies, save where such information is known to CriTec already, or exists already in the public domain, until, either the information enters the public domain, or CriTec is given the same information by a third party, or is released from its confidentiality requirement by the client, or the client is found in breach of contract with CriTec by a court of

11.Cancellation Rights

11.1. The contract shall be regarded as a whole unless there are break points within it agreed in advance or it is divided into stages or where it is subject to periodic renewal. Where no such division is agreed in advance and stipulated in the contract, the client shall be liable for the totality of the value of the contract - including all expenses incurred to the date of cancellation - whether or not the client wishes the work to be completed.

11.2. If a contract is expected to be for an extended period or to have phases contingent upon the results of earlier work, it will normally be divided into stages or subject to periodic renewal. Where such divisions apply, either party may choose not to continue the contract into the next phase without penalty (unless otherwise provided in the specific contract). Where such cancellation is by CriTec the client shall be entitled to a refund of that proportion of any advance of fees that relate to the remaining part of the contract.

11.3 No condition of mutuality shall exist. On completion of a contract the client is under no obligation to offer an additional or subsequent contract. Should any such contract or additional works be offered CriTec are under no obligation to accept the contract/ additional works.

11.4. Annually renewed service contracts and retainers shall be renewed automatically for a further 12 months unless either party gives the other the minimum notice of termination set out in the individual contract or in the absence of such a provision 90 days notice.

11.5. Where the client cancels, the client shall pay for all stages of the contract that have been commenced. Should he choose not to have work completed on the stage underway prior to cancellation he remains liable for payment in full of this stage. The client also agrees to pay all expenses incurred, whether or not these relate to the stages cancelled or to any prior stages.

11.6. Where performance under the contract of CriTec's service is contingent upon the availability of a specific CriTec employee or Associate, the client shall have the right to cancel the contract if the person or persons essential to the timely completion of the project is unable to carry out the agreed function within a period of sixty days of the agreed deadlines due to ill health or other reason. In such circumstances the client shall not be liable for any further payment of fees but CriTec shall be entitled to retain payments already made in lieu of work carried out to date and to recover all reasonable expenses incurred up to the date of cancellation.

11.7. Specific terms apply to cancellation in the event of a conflict of interest (see Clause 6), client insolvency (see Clause 18), illegal activities (Clause 19) or force majeure (Clause 21).

11.8. In the event of cancellation, expenses incurred referred to in this Clause shall be interpreted as including all monies spent on behalf of the client plus all spending irrevocably committed to on the client's behalf by CriTec

law (including non-payment of account) or three years have elapsed - whichever is the sooner. The provisions of the Official secrets Act shall take precedence over this clause.

4.2. The client agrees to hold confidential all information about CriTec's proposal(s), fee structures, fees and personnel.

5. Materials Supplied

5.1. CriTec agrees to handle any materials, such as product samples or documents, supplied by the client to CriTec in a responsible fashion and return them to the client upon request. However, CriTec will not be responsible for any wear or tear occasioned nor for any loss or theft that might occur. All such material is supplied at the client's own risk and no liability for any financial restitution for any direct or indirect value is accepted nor any consequential loss.

6. Conflict of Interest

6.1. CriTec will decline any third party contract that would create a conflict of interest with the client's previously agreed instructions. Where such a conflict only becomes apparent after our agreement to act for the third party we will invoke Clauses 6.2 and 6.3 in respect of their contract.

6.2. CriTec warrants to bring to the attention of the client any conflict of interest that may arise between the client's instructions and the terms under which CriTec is acting, or has acted, for another client at the time that it becomes apparent to CriTec officers (where such third party instructions were received prior to the client's instructions). The client will then be free to vary his contract with CriTec in the light of this revelation to the extent that it is affected by the potential conflict of interest. Such a declaration by CriTec will be general in nature, so as not to prejudice the confidentiality with the third party.

6.3. CriTec will have the right to resign its contract in such circumstances if, in its judgement, it is unable to proceed with the contract and maintain its fiduciary duty. CriTec shall receive payment in full for hours worked and expenses incurred to the date of disclosure, including all due contract stage payments but not including any entitlement to pro-rata payment for any amounts payable on completion such as performance fees or terminal payments.

7. Rights of Ownership

7.1. CriTec warrants that all personnel, whether full-time employees or not, will be employed on terms that protect the Clients intellectual property rights.

7.2. Notwithstanding any payments received from the client, all rights of ownership to all materials prepared by CriTec, whether written or not, shall remain the property of CriTec - copyright and distribution rights are reserved by CriTec at its sole discretion, except where these rights are explicitly stated in writing to have been waived or where the contract between CriTec and the client explicitly so provides or where the material is so endorsed by CriTec.

7.3. CriTec however grants the right, without prejudice to its position under the previous paragraph, to the client to copy freely any material provided by CriTec as part of work wholly commissioned by the client provided that

up to the date of cancellation plus any cancellation charges that may be levied by third party suppliers as a result of the contract cancellation.

12. Payment Terms

12.1. The client agrees to be bound by the payment terms stipulated in the contract.

12.2. If the client fails to make any final payment without giving notification of due cause, then CriTec will withhold delivery of any final reports and will not be responsible for any inconvenience, loss or damage so caused.

12.3. In respect of any delays in interim payments attention is drawn to Clause 14.2 below.

12.4. The currency of payment will be stipulated in the client contract. Both parties agree to accept this in respect of all invoices and payments.

12.5. Unless otherwise explicitly provided by an individual contract, no account will be taken of any exchange rate fluctuations during the life of the contract. Each party accepts as their own responsibility the variation, whether favourable or unfavourable, that they may see in local currency terms in respect of the contract.

12.6. The client's responsibility is for payment to CriTec of the full amount agreed. The client agrees to adjust all payments to take into account any charges levied (such as may be made by the transferring bank), such that the full amount is received by CriTec. The client accepts that CriTec shall be entitled to recover all deducted amounts.

12.7. The client agrees to make payment by the method stipulated in the contract to the location stipulated in the contract. CriTec shall be entitled to recover any costs caused by any client variations in this respect not agreed in advance.

12.8. The client agrees to pay all government taxes and duties, regardless of origin, that may apply to all payments to CriTec. The client further agrees that, should there be a change in type or value during the life of the contract, whether favourable or unfavourable to the client, he will be responsible for them in totality. Each party will be responsible for recovering his own entitlements in respect of pre-payments (for example in respect of VAT or sales tax).

12.9. CriTec shall be entitled to charge interest at the rate of 2% per month (above the bank of England base rate) on all amounts that remain unpaid 30 days after the agreed payment date.

12.10. In the absence of any other agreed payment terms, all invoices shall be payable in full within 30 days of the date of the invoice.

13. Stage Payments

13.1. Most contracts that extend across several months provide for stage payments. These are negotiated in advance as part of the normal discussions prior to agreement of the contract.

13.2. CriTec shall have the right to suspend all work on behalf of the client should these payments not be made on time to the agreed schedule. Any adverse impact that

distribution of these copies is exclusively within the client's particular organisation.

7.4. This clause shall apply to all reports, including the final client report, and all presentation materials. It shall also apply to any audio or videotaping of any presentations made by CriTec for the client. In addition, it applies to all training materials used to support CriTec training sessions.

7.5. The right to distribute copies of CriTec material internally within the Client's organisation does not extend to multi-client and off-the-shelf market research reports which have been bought from CriTec. Additional copies of such reports for internal distribution are available, at the time of purchase or later, at greatly reduced cost.

7.6. The client's interests in respect of this clause and any materials provided by the client to CriTec are protected by CriTec's blanket confidentiality commitment in respect of the dissemination of any and all materials related specifically to the client's affairs outlined in Clause 4 above.

7.7 All equipment/deliverables/articles to be provided by CriTec under the contract shall remain the property of CriTec until receipt of payment in full. The client shall hold said articles in such a way that they can be easily identified and grants CriTec the right to enter the client's property at any time to recover said articles.

7.8 Any patents, trade marks, trade names, copyrights, and intellectual properties rights asserted by CriTec shall be retained and do not pass to the client on completion. Use by the client may be granted solely at our discretion.

8. Time Basis for Contracts

8.1. Where applicable, activity time is calculated inclusive of travel time from the prior non-client activity (such as from the consultant's home, office, or third party premises).

8.2. The unit of activity is normally the Day, except where otherwise agreed in advance.

8.3. Activity time includes all office time spent acting for the client.

8.4. Where the unit of activity is by the hour, all travel, office, administrative, preparatory, production and telephone time in addition to actual client meetings and external interviews, are chargeable at the agreed hourly rate for the individual concerned.

8.5. Activity logs will be provided to clients upon request.

9. Expenses

9.1. CriTec contracts with clients stipulate whether they are 'fixed price' (ie all expenses will be included within the pre-negotiated fee and not charged supplementary to the client) or 'fee plus expenses' - in which case expenses are levied in addition to our agreed fee. This section provides clarification of our standard policy on what expenses will be claimed and how.

9.2. We do not levy a fixed daily dislocation charge.

9.3. In the case of 'net of expenses' contracts, CriTec is hereby authorised to incur, without prior notice to the

this suspension has upon the completion schedule or the quality of the product for the client shall be at the client's sole responsibility. This right applies not just to the contract in arrears but also any other contracts with the client, whether or not payments against these contracts are in arrears.

13.3. In particular, clients should note that where it has been agreed that payment of all or part of a contract is to be made 'in advance' work will not commence on the client's behalf until payment is actually received.

14. Liability for Advice Given

14.1. CriTec provides information, advice and services in good faith based upon information available at the time. We do not warrant the accuracy of information provided. It is for the client to decide whether or not to accept our advice in making his own management decision. We advise that any data critical to a decision should be independently verified prior to being acted upon. Therefore CriTec accepts no liability for the consequences of its information opinions and advice whether direct or indirect.

15. Publicity

15.1. CriTec shall have the right, without further reference to the client, to publicise the fact that the client is, or was, a client and to utilise the client's name in publicity materials in this respect. CriTec may also describe in general terms the type of work conducted for the client, but shall not be permitted to link the two without the prior permission of the client. The provision of the official Secrets Act shall take precedence over this clause.

15.2. Wherever the results of any commissioned work are cited by the client, the client agrees to make due reference to CriTec so as to make it clear who carried out the work, except where CriTec explicitly waives this right. This provision is notwithstanding the over-riding position over ownership of said product (outlined in Clause 7, Rights of Ownership, above).

16. Recruitment of Personnel

16.1. Each Party undertakes not to attempt to solicit or procure the services of staff employed by the other party who are involved in the performance of this contract during the course of this contract and for a period of six months thereafter without the written permission of the other party.

16.2. The client agrees to pay CriTec a 'finders fee' should the client recruit a CriTec consultant to a paid employment position within two years of the conclusion of any work on behalf of the client by that Consultant or of that Consultant being introduced to the client whichever is the later.

16.3. In respect of this clause, the definition of 'Consultant' shall include all CriTec employees and Associates that are involved in the provision of services to the Client under this or any other contract.

16.4. The 'finders fee' shall be 30% of the first year's gross remuneration payable by the Client or its Associates to the Consultant.

17. Insolvency

client, 'reasonable' travel expenses (as outlined below in Clause 9.8) in performing the client's instructions. The client agrees to re-imburse these in addition to the contract fee.

9.4. All expenses are payable for the total activity time (as defined in Clause 8 above): ie including travel to and from the client or travel to and from third parties on behalf of the client.

9.5. Invoices for expenses will normally be presented monthly. CriTec may, at its sole discretion, choose exceptionally to present invoices more or less frequently, to reflect the level of expense incurred.

9.6. Expenses incurred in foreign currency will be billed at the actual exchange rate obtained (gross rates, including commission, handling charges etc, will be used) except where this rate is not immediately available, such as for some credit card charges, when either the last rate obtained or an estimated rate will be used at CriTec's discretion.

9.7. Expenses are re-imbursable immediately and the client accepts that they are not subject to any credit terms or delayed payment clauses that may relate to some or all of our professional fee.

9.8. 'Reasonable' travel expenses are those generally applied within international corporations for their senior executives. They vary to reflect the different standards applied to business travel in various parts of the world. For illustrative purposes, they include, inter alia, Business Class international air travel and Economy (or 'coach') class internal flights, accommodation and incidental costs within an hotel suitable for international business affairs, all meals whilst acting on behalf of the client within an hotel's restaurant or an equivalent grade of individual premises, 1st class rail travel, taxis and car-hire costs for a mid-size or executive size vehicle as appropriate, entertainment costs for third-party contacts made on behalf of the client commensurate with obtaining the maximum value-for-money from the contact for the client. Where appropriate to the circumstances, we reserve the right to vary the class of travel to meet the business need. The client so authorises.

9.9. Allowable expenses are charged to the client at the gross invoice value. Expenses will be charged inclusive of any sales taxes (or similar fiscal levies) where these are payable by us, whether or not we may be able to subsequently reclaim any part of these. VAT (and any other relevant tax) will be added to the invoice amount in line with current government legislation at the rate ruling at the time of invoice.

9.10. Any additional charge for incidental expenses such as telephone, fax, copies of client commissioned reports, and presentation materials would normally be waived, except where such costs represent a significant proportion of the project value; such basis to be agreed by the client in advance.

9.11. The client should note that travel fares are sometimes charged on the basis of travel to and from CriTec premises, which may not be the actual journey made, as our consultants may be travelling from a location required for another client's business.

9.12. CriTec employees are required to obtain receipts for expenses wherever practical. These are retained by CriTec and are available for inspection by the client upon

17.1. CriTec shall have the right to discontinue immediately all work for the client should he or another person petition for his bankruptcy, or he be declared insolvent, or he be placed into administrative receivership or be generally unable to pay his bills as they become due.

17.2. In these circumstances CriTec will also be entitled to have a general lien on all goods and property of the client that is within CriTec's possession and, following 14 days notice to dispose of such goods and property in such manner and at such prices as CriTec thinks fit and to apply the proceeds towards such debts.

18. Illegal activities

18.1. CriTec will not carry out any illegal activities on behalf of the client. Any requirement in this respect will nullify this contract in respect of performance and CriTec will be entitled to recover in full its fee and expenses.

18.2. The client agrees not to make any illegal use of any information provided by CriTec.

18.3. Neither party shall be liable to the other for any indirect, special or consequential damages.

19. Limitation of liability

19.1. Without prejudice to other more restrictive limitations elsewhere in this contract, liability on the part of CriTec is limited to the value of the contract with the client or the value of the loss whichever is the smaller. CriTec accepts no liability for the consequences of its information, opinions and advice, whether direct or indirect.

20. Force Majeure

20.1. Whilst CriTec agrees to use its best endeavours to perform the contract for the client as specified, CriTec will not be responsible for any delays or failure to complete the contract which are beyond CriTec's control and which could not have been reasonably predicted.

20.2 Where delays and/or disruptions to the contract are attributable to actions or lack of action by the client, CriTec reserve the right to recover reasonable additional costs for abortive working, disruption payments and or waiting time.

20.3. Where the delay caused by third party events outside either party's control or influence causes such delay that the purpose of the contract is wholly or significantly destroyed, either party shall be entitled in these circumstances to cancel the remaining portion of the contract. In such circumstances the client will not make any further payments of fees but there will be no refund of payments already made (including any payments for that part of the contract that remains unfulfilled) and CriTec will be entitled to recover any costs already incurred.

21. Jurisdiction

22.1. Any disputes or claims shall be governed by and construed in accordance with English law and the jurisdiction of the English courts.

22. Arbitration

his request.

10. Fees

10.1. The remuneration structure agreed between the client and CriTec may be based on a number of methods. These are a 'retainer', a 'fixed fee', a 'time based rate' (e.g. day rate, also known as a per diem fee, or an hourly rate), a 'success fee', and a 'brokerage' or 'finder's' fee'.

10.2. The client agrees to pay CriTec according to the fee structure outlined in CriTec's project proposal, as amended by subsequent written correspondence.

10.3. 'Retainer fee' shall be defined as a payment made to secure CriTec's services for a fixed period of time. The retainer shall be automatically renewed except where either party gives the appropriate notice or is in breach of the contract or where otherwise defined in the specific terms of the contract.

10.4. Fixed fee contracts cover the performance of an agreed service as outlined in our Project Proposal for an agreed remuneration. Extra time incurred by CriTec in the performance of the 'fixed fee' component of a contract shall be borne by CriTec. The fee shall be fixed in the currency in which the quotation is made, regardless of exchange rate movement.

10.5. The 'daily rate' and 'hourly rate' shall be charged in accordance with the criteria defined in Clause 8.

10.6. Where CriTec introduces the client to a third party, which CriTec identifies to the client as a potential 'partner' (as defined in 10.8), CriTec shall receive a payment from the client by way of a 'success fee', 'brokerage fee' or 'finder's fee'. The fee shall be triggered under the circumstances defined in the particular contract with the client, or in the absence of such agreement, by the conclusion of a legally binding agreement with a third party where this agreement results in significant part from the actions of CriTec under the consultancy agreement and where the partner was explicitly identified to the client by CriTec. It shall normally be expressed as a percentage of the 'value' associated with the triggering event. 'Value' shall be calculated as defined in Clause 11. The percentage rate will be determined in advance by negotiation to reflect the degree of involvement of CriTec in the identification process.

10.7. Finder's fees, brokerage fees and success fees shall be 5% of the resultant business contract value.

10.8. In the context of this clause, 'partner' shall include, but not be limited to, all of the following: companies and individuals with whom the client concludes a collaboration agreement; businesses acquired, whether for cash or equity; licensees and cross-licensees of intellectual property rights; joint-venture partnerships; distribution agreements with wholesalers, distributors and sales or marketing agents.

10.9. Where CriTec provides an introduction whilst acting on behalf of the client that may lead to a right to a finder's fee subsequent to the completion of the assignment with the client, CriTec shall be entitled to the said finder's fee whenever the agreement between the parties is concluded.

22.1. All unresolved disputes between the Parties shall be referred to arbitration in London before a single arbitrator to be appointed, in default of agreement otherwise, by the President for the time being of the Institute of electrical Engineers.

22.2. Both parties also agree that all disputes arising with respect to this contract will be arbitrated upon within the English legal system.

23. Waiver

23.1. The failure by either party to enforce at any time or for any period any one or more of the terms and conditions of this agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this agreement.

24. Integral part of contract

24.1. The client, in signing the contract, accepts that all of these terms have been read, understood and agreed.

24.2. The client agrees that all of the above terms form part of the contract between CriTec and the client, except where explicitly excluded or modified by the contract and shall take precedence over and shall not be varied by any other means including any terms or conditions that the client may from time to time apply to suppliers.

25. Sub-contracting

25.1. CriTec reserve the right to sub-contract any part of any work or supply of goods or services

26. Assignment

26.1. The client, shall not assign or transfer, or purport to assign or transfer the benefit of this agreement to any third party.