ZIP WATER UK

TERMS AND CONDTIONS FOR RENTAL

INTERPRETATION,

DEFINITIONS:

In these Conditions, the following definitions apply:

Business Day means a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Commencement Date means the date that the Renter takes delivery of the Equipment.

Contract means the Order Summary together with these terms and conditions.

Data Protection Legislation the Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003, GDPR (General Data Protection Regulation (GDPR) (EU) 2016/679) European Directive 95/46/EC on the protection of personal data and the protection of privacy in the electronic communications sector, together with any subordinate or related legislation made under any of the foregoing, in each case as the same may have been or may be amended from time to time.

Delivery the transfer of physical possession of the Equipment to the Renter at the Site.

Equipment means the equipment supplied under the Contract as listed in the Order Summary and all substitutions, replacements or renewals of such equipment and all related accessories, manuals and instructions provided for it and shall include any attachments to the Equipment or any parts or accessories.

Extended Term means any extension of the Rental Period.

Force Majeure any cause preventing either party from performing any or all of its obligations which arises from or is attributable to either acts, events, omissions or accidents beyond the reasonable control of the party so prevented including without limitation strikes, lock-outs or other industrial disputes (whether involving the workforce of the party so prevented or of any other party), act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or sub-contractors or war, civil war, armed conflict or terrorist attack, nuclear, chemical or biological contamination or sonic boom, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, epidemics or similar events, natural disasters or extreme adverse weather conditions, or default of suppliers or subcontractors or governmental action having a material adverse effect on the performance of the Contract.

HydroCare Service Plan means the standard service plan supplied by the Owner in respect of the Equipment, provided in accordance with the standard terms and conditions for such Plans and payment for which is included as part of the Rental Payments.

Order means the Renter's order for the hire of the Equipment.

Order Summary means the document setting out the particulars of the Renter's Order and including details such as the Equipment subject to lease, the Rental Period and the Payment Schedule. The Order Summary, together with these terms and conditions constitutes the agreement between the parties.

Owner means Zip Heaters (UK) Limited registered in England and Wales.

Payment Schedule means the payment schedule agreed between the parties in respect of the sums payable under the Contract and set out in the Order Summary.

Rental Payments means the charges payable by the Renter for hire of the Equipment and paid in accordance with Condition 2.

Rental Period means the period of hire of the Equipment.

Renter means the person or firm identified in the Order Summary who is renting the Equipment from the Owner.

Site: the Renter's site to which the Equipment is delivered and/or installed.

Total Loss: means the Equipment is, in the Owner's reasonable opinion (or the opinion of its insurers), damaged beyond repair, lost, stolen, seized or confiscated. A reference to the statute or statutory provision is a reference to it as amended or re-enacted. A reference to a statute or statutory provision includes all subordinate legislation made under that statute or statutory provision. Any words following terms including, include, in particular, for example, shall be construed as illustrative, and shall not limit the sense of the word, description, definition, phrase or term preceding those terms. A reference to writing or written includes fax and email.

1. BASIS OF CONTRACT

1.1 The Order constitutes an offer by the Renter to hire the Equipment on these terms and conditions. The Owner shall have complete discretion whether to accept the Renter's offer and the Renter's offer shall only be deemed accepted when the Owner issues written acceptance of the Order in the form of the Order Summary, at which time the Contract shall come into existence.

1.2 These Conditions apply to the Contract to the exclusion of any other terms that the Renter seeks to impose or incorporate, or which are applied by trade, custom, practice or course of dealing.

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

1.4 The Rental Period starts on the Commencement Date and shall continue for the Rental Period specified in the Order Summary, unless this Contract is terminated earlier in accordance with its terms.

2. RENTAL PAYMENTS

2.1 The Owner shall permit the Renter to have possession of the Equipment during the Initial Rental Period and any Extended Term.

2.2 The Renter shall pay the Rental Payments together with VAT at the rate then in force in accordance with the Payment Schedule. The first payment shall be due within 30 days of the Commencement Date, and each subsequent payment shall be due on the same day of each month thereafter unless agreed otherwise in the Payment Schedule. The Rental Payment shall be due whether or not the Renter has received demand for payment from the Owner. All payments shall be paid to the Owner or as otherwise directed by the Owner in writing. The Renter shall notify the Owner immediately in writing of any change in Renter's address.

2.3 All payments to be made by the Renter shall be made without withholding or set-off whether on account of disputes, counterclaims or for any other reason whatsoever.

2.4 If the Renter fails to make a payment due to the Owner under the Contract by the due date, then without limiting the Owner's remedies under Condition 10, the Renter shall pay interest on the overdue sum from the due date until payment of the overdue sum. Interest under this Condition will accrue each day at a rate of 5% above the Bank of England base rate from time to time, but at 5% a year for any period when that base rate is below 0%.

3. DELIVERY

3.1 Delivery of the Equipment shall be made by the Owner. The Owner shall use all reasonable endeavours to effect Delivery by the date and time agreed between the parties.

3.2 The Owner shall at the Renter's expense install the Equipment at the Site. The Renter shall procure that a duly authorised representative of the Renter shall be present at the installation of the Equipment. Acceptance by such representative of installation shall constitute conclusive evidence that the Renter has examined the Equipment and has found it to be in good condition, complete and fit in every way for the purpose for which it is intended (save as regards any latent defects not reasonably apparent on inspection). If required by the Owner, the Renter's duly authorised representative shall sign a receipt confirming such acceptance.

4. HYDROCARE SERVICE PLAN

4.1 As part of the Owner's Rental Plan, a HydroCare Service Plan shall be provided by the Owner in accordance with the Owner's standard terms and conditions. Any defect in or damage to the Equipment will be remedied in accordance with the terms of the HydroCare Service Plan.

4.2 CO2 Canisters unless expressly included, (and other consumables) are excluded from the HydroCare Service Plan and the Supplier's then current standard Charges for replacement CO2 canisters shall apply.

Additional labour charges associated with CO2 canister fitting and exchange will also apply and will be invoiced to the Customer in accordance with the standard terms and conditions. Available here www.zipwater.co.uk/terms-and-conditions.

5. USE OF EQUIPMENT

The Renter agrees:

5.1 to ensure that the Equipment is kept and operated in a suitable environment.

5.2 to take reasonable care of the Equipment so that the Equipment shall at all times be in good condition (fair wear and tear excepted);

5.3 not to alter or make an addition to the equipment without the previous consent in writing of the Owner and not to alter any component or identifying mark or number thereon;

5.4 to keep the Equipment in the control of the Renter and to keep the Owner informed of its location and not to attempt to purport to lend, sell, dispose or encumber the Equipment in any way;

5.5 not to suffer or permit the Equipment to be confiscated, seized or taken out of its possession or control under any distress, execution or other legal process;

5.6 not to assign this Contract or Renter's rights hereunder without the prior written consent of the Owner;

5.7 to permit the use of the Equipment only in accordance with the manufacturer's instructions and by trained competent staff provided that such instructions and any required training is provided by the Owner;

5.8 to give immediate written notice to the Owner of any loss or damage to the Equipment;

5.9 not without the prior written consent of the Owner, attach the Equipment to any land or building so as to cause the Equipment to become a permanent or immovable fixture on such land or building. If the Equipment does become affixed to any land or building then the Equipment must be capable of being removed without material injury to such land or building and the Renter shall repair and make good any damage caused by the affixation or removal of the Equipment from any land or building and indemnify the Owner against all losses, costs or expenses incurred as a result of such affixation or removal;

5.10 not do or permit to be done any act or thing which will or may jeopardise the right, title and/or interest of the Owner in the Equipment;

5.11 to permit the Owner or its duly authorised representatives to inspect the Equipment at all reasonable times and for such purposes to enter upon the Site or any premises at which the Equipment may be located, and shall grant reasonable access to facilities for such inspection; and

5.12 to indemnify the Owner on demand for any loss or damage to the Equipment arising out of any negligence, misuse, mishandling of the Equipment or otherwise caused by the Renter or its officers, employees, agents and contractors; and against all losses, liabilities, claims, damages, costs or expenses of whatever nature arising out of or in connection with any failure by the Renter to comply with the terms of the Contract.

6. TITLE, RISK AND INSURANCE

6.1 The Equipment shall, at all times, remain the property of the Owner and the Renter shall have no right, title or interest in the Equipment (save the right to possession and use of the Equipment subject to the terms and conditions of this Contract or after enactment of Condition 12.3).

6.2 The risk of loss, theft, damage or destruction of the Equipment shall pass to the Renter on Delivery of the Equipment. The Equipment shall remain at the sole risk of the Renter during the Rental Period and any further term during which the Equipment is in the possession, custody or control of the Renter ("**Risk Period**") until such time as the Equipment is redelivered to the Owner.

6.3 During the Rental Period and the Risk Period, the Renter agrees to insure the Equipment against any loss, theft or damage. The Renter will pay insurance excess on any claim. The Renter agrees to keep the Equipment comprehensively insured against fire accident and theft or other such risks which the Owner may reasonably request during the Risk Period with a reputable insurer for its full replacement value and to cover any third party or public liability risks of whatever nature and however arising in connection with the Equipment. The Renter agrees to provide copies of all insurance policies to the Owner and to pay promptly all premiums and maintain such policy throughout the Rental Period and any Extended Term(s). The Renter shall procure that upon the Owner's request the Owner's name is endorsed on the policies as a loss payee in relation to any claim relating to the Equipment.

7. EQUPIMENT DAMAGE AND DEFECTS

7.1 During the Rental Period the Owner will remedy damage and defects in the Equipment in accordance with the terms of the HydroCare Service Plan in place in respect of the Equipment.

7.2 Where the remedy for the damage or defect in the Equipment is excluded from the scope of the HydroCare Service Plan for whatever reason, any remedial action undertaken by the Owner shall be charged at the Owner's standard list price. The Renter shall pay all charges associated with such remedial action in addition to the Rental Payments.

7.3 The charges set out in Condition 7.2 shall be paid, or (for credit account holders) be pre-authorised, in advance of receipt of services. Such services shall not be booked or carried out before pre-payment or pre-authorisation is received by the Owner. All payments pursuant to this clause shall be made in accordance with Condition 2.2.

7.4 All warranties, conditions or terms implied by statute or common law in respect of the Equipment are excluded to the fullest extent permitted by law. The Owner shall not, other than in the exercise of its rights under this Contract or applicable law, interfere with the Renter's right of quiet possession of the Equipment.

8. SOLVENCY

The Renter warrants that at the Commencement Date it has reasonable grounds to believe that it is able to pay its debts as they fall due.

9. LIABILITY

9.1 Nothing in these Conditions shall affect, limit or exclude any liability for death or personal injury, fraud or as otherwise not permitted to be excluded by law.

9.2 Without prejudice to Condition 9.1, the Owner's maximum aggregate liability for breach of the Contract (including any liability for the acts or omissions of its employees, agents and subcontractors) shall be as set out under Condition 7, or, in relation to any other act or omission (whether in contract (including under any indemnity under these Conditions), tort (including negligence) or otherwise) shall not in any circumstances exceed the total sum of the Rental Payments paid by the Renter during the Rental Period in respect of any one incident or series of incidents attributable to the same cause.

9.3 In no event shall either party be liable whether in contract, tort, breach of statutory duty, misrepresentation or otherwise for any loss of profit, loss of revenue, loss of business, loss of goodwill, loss of opportunity, loss of anticipated savings for any special, indirect or consequential loss or damage whatsoever and howsoever caused, even if foreseeable, which arises out of, or in connection with, the supply of the Equipment or its use.

9.4 The Renter will indemnify and keep indemnified and hold harmless the Owner against any loss or damage (including legal costs and management time) in respect of a claim by any third party that it has suffered damage or loss where such damage or loss or alleged damage or loss arises from a wrongful or negligent act or omission of the Renter in connection the Equipment.

10. TERMINATION

10.1 Without affecting any other right or remedy available to it during the Contract, the Owner may terminate the Contract with immediate effect by giving notice to the Renter if:

10.1.1 the Renter fails to pay any amount due under the Contract on the due date for payment and remains in default not less than (30) days after being notified in writing to make such payment;

10.1.2 the Renter commits a material breach of the Contract which breach is irremediable or (if such breach is remediable) fails to remedy that breach within 14 days after being notified to do so;

10.1.3 the Renter suspends, or threatens to suspend, payment of its debts as they fall due or admits inability to pay its debts as they fall due or admits inability to pay its debts or (being a company or LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 as if the words "it is proved to the satisfaction of the court" did not appear in sections 123(1) or 123(2) of the IA 1986 or (being an individual) is deemed unable to pay its debts or as having no reasonable prospect of doing so, in either case, within the meaning of section 268 of the IA 1986;

10.1.4 the Renter commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (being a company)

for the sole purpose of a scheme for the solvent amalgamation of the Renter with one or more other companies or the solvent reconstruction of the Renter;

10.1.5 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Renter (being a company, LLP or partnership) other than for the sole purpose of a scheme for a solvent amalgamation of the Renter with one or more other companies or the solvent reconstruction of the Renter;

10.1.6 an application is made to court, or an order is made, for the appointment of an administrator, or a notice of intention to appoint an administrator is given or an administrator is appointed, over the Renter (being a company);

10.1.7 the holder of a qualifying floating charge over the assets of the Renter (being a company) has become entitled to appoint or has appointed an administrative receiver;

10.1.8 a person becomes entitled to appoint a receiver over all or any of the assets of the Renter or a receiver is appointed over all or any of the assets of the Renter;

10.1.9 the Renter (being an individual) is the subject of a bankruptcy petition, application or order;

10.1.10 a creditor or encumbrancer of the Renter attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Renter's assets and such attachment or process if not discharged within 14 days;

10.1.11 any event occurs, or proceeding taken, with respect to the Renter in any jurisdiction to which it is subject that has an effect equivalent or similar to any events mentioned in Conditions 10.1.1 10.1.10 (inclusive);

10.1.12 the Renter suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business; or

10.1.13 the Renter (being an individual) dies or by reason of illness or incapacity (whether mental or physical), is incapable of managing their affairs or becomes a patient under any mental health legislation.

10.2 For the purposes of 10.1.2, a material breach means a breach (including an anticipatory breach) that is serious in the widest sense of having serious effect on the benefit which the Owner would derive from:

10.2.1 a substantial portion of the Contract; or

10.2.2 any of the obligations set out in Condition 5,over the term of the Contract.

10.2.3 The Contract shall automatically terminate if a Total Loss occurs in relation to the Equipment.

11. EFFECT OF TERMINATION

11.1 Upon early termination of the Contract by the Owner, however caused:

11.1.1 the Owner's consent to the Renter's possession of the Equipment shall terminate and the Owner may, by its authorised representatives, without notice and at the Renter's expense retake possession of the Equipment and for this purpose may enter the Site or any premises at which the Equipment is located; and

11.1.2 without prejudice to any other rights or remedies of the Renter, the Renter shall pay to the Owner on demand:

11.1.2.1 all Rental Payments and other sums due but unpaid at the date of such demand together with any interest accrued pursuant to Condition 2.4;

11.1.2.2 any costs and expenses incurred by the Owner in recovering the Equipment and/or collecting any sums due under the Contract (including storage, insurance, repair, transport, legal and remarketing costs).

11.2 Upon termination pursuant to Condition 10, without prejudice to the Owner's other rights or remedies, the Renter shall pay to the Owner on demand a sum equal to the whole of the Rental Payments that would (but for termination) have been payable if the Contract had continued to the end of the Rental Period less a discount rate 4% or the Owners then current expected rate of return from a similar transaction.

11.3 The sums payable pursuant to Condition 11.2 shall be agreed compensation for the Owner's loss and shall be payable in addition to the sums payable pursuant to Condition 11.1.2. Such sums may be partly or wholly recovered from any Deposit.

12. OPTIONS ON EXPIRY OF THE RENTAL PERIOD

12.1 The Renter may, following the expiration of the Rental Period:

12.1.1 indicate (by giving not less than 3 months' notice in writing to the Owner prior to the expiry of the Rental Period) that it does not intend to extend the Rental Period in accordance with Condition 13 and in which case the Renter shall deliver up the Equipment in accordance with the Owner's instructions on the last Business Day of the Rental Period;

12.1.2 extend the Rental Period in accordance with Condition 13; or

12.1.3 request (by giving not less than 3 months' notice in writing to the Owner prior to the expiry of the Rental Period) that the Owner replace the Equipment with new product and enter a new agreement for its lease. This new agreement may be subject to revised pricing and terms and conditions. If no new agreement is reached prior to the expiry of the Rental Period this Contract shall terminate upon the expiry of the Rental Period and the Renter shall deliver up the Equipment in accordance with the Owner's instructions.

13. RENEWAL

13.1 After the expiration of the Rental Period, the Renter shall have the right to extend this Contract for a period of 12 months (the Extended Term) by giving notice to the Owner not later than 1 month before the end of the Rental Period.

13.2 The Rental Payments during the Extended Term shall be the Owner's list prices in force during the initial Rental Period plus whichever is the higher of a 10% increase or RPI increase and rental during the Extended Term shall be on the same terms and conditions in force during the Initial Rental Period.

13.3 The Extended Term can be further extended in 12-month increments by giving notice to the Owner not later than 1 month before the end of the relevant Extended Term.

13.4 Upon the expiry of any Extended Term, the Renter may exercise the options set out in Conditions 12.1, or further extend the Contract in accordance with this Condition 13, provided that the owner is in agreement to extend the term, at which time the Contract will automatically renew.

13.5 Upon termination of the Contract after notification in accordance with Conditions 12.1, the Renter shall deliver up the Equipment in accordance with the Owner's instructions. Where the Renter wishes to continue to lease equipment from the Owner, the Owner shall deliver and install replacement equipment to the Renter and such equipment shall be rented under a new agreement between the parties..

14. TIME OF THE ESSENCE

In respect of any provision herein requiring the Renter to act within a stipulated time or address any obligation owed to the Owner, time is of the essence.

15. DATA PROTECTION AND DATA PROCESSING

To the extent that the parties process personal data in connection with the Contract, they will each comply with all applicable requirements of the Data Protection Legislation.

16. FORCE MAJEURE

The Owner shall not be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event.The affected party shall be entitled to a reasonable extension of the time for performing such obligations, provided that if the period of delay or non-performance continues for eight (8) weeks, the party not affected may terminate this Contract by giving 10 (ten) Business Days' written notice to other party.

17. GENERAL

17.1 Assignment and other dealings.

17.1.1 The Owner may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract.

17.1.2 The Renter may not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract without the prior written consent of the Owner.

17.2 Notices.

17.2.1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this Condition, and shall be delivered personally, sent by pre-paid first class post or other next working day delivery service or sent by email to the address specified by the parties.

17.2.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in Condition 17.2.1; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting. If sent by email, the communication shall be deemed to have been received at the time of transmission, or if this time falls outside business hours in the place of receipt, when business hours means 9:00am to 5:00pm Monday to Friday on a day that is not a public holiday in the place of receipt.

17.2.3 The provisions of this Condition shall not apply to the service of any proceedings or other documents in any legal action.

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

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

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

17.6 PartnershipNothing contained in this Contract shall be deemed to create any partnership, joint venture or agency between the parties, nor shall any similar fiduciary or similar relationship be deemed to exist between the parties.

17.7 Confidential Information. The Conditions of this Contract and any confidential information disclosed by either party to the other (including sales information, forecasts, financial affairs, business relationships and any other information that might reasonably be considered confidential) shall be kept confidential during the term of this Contract and for a period of two (2) years thereafter, save to the extent that such confidential information is:

17.7.1 required to be disclosed by law,

17.7.2 already in the public domain or

17.7.3 known to or independently developed by or learned by a party other than by means of a breach of confidentiality.

17.8 Compliance During the term of this Contract, the Renter and the Owner shall (to the extent that it applies to the Goods and/or Services) comply with all laws, regulations and sanctions relating to:

17.8.1 anti-bribery and anti-corruption including but not limited to the Bribery Act 2010, as amended form time to time;

17.8.2 anti-money laundering in accordance with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007, as amended from time to time; and

17.8.3 Data protection in accordance with the Data Protection Act 2018 as amended and updated from time to time, and all other legislation or regulation in force in the UK from time to time on the protection of personal data and privacy.

17.9 Concurrent Remedies. No right or remedy herein conferred upon or reserved to the Owner is exclusive of any other right or remedy herein or by law or equity provided or permitted but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing and may be enforced concurrently therewith or from time to time

17.10 Entire Agreement These Conditions and the Order Summary constitute the entire agreement of the parties and any previous agreements, understandings and negotiations on the subject matter are cancelled and cease to have any effect.

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

17.12 Taxes. Any applicable taxes and duties or similar charges applicable to the Contract and the lease of the Equipment shall be payable by the Renter in addition to the Rental Payments at the rate and in the manner from time to time prescribed by law

17.13 Governing law. The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the law of England and Wales.

17.14 Jurisdiction. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claim.