



TERMS OF AGREEMENT

1. Parties

1.1 This agreement is made this *[number]* day of *[month]* 20*[year]* (the 'start date') between:

(1) *(Party A)* []

and

(2) *(Party B)* Prism-Clarity Limited (a company incorporated in England and Wales, and registered under number 9991734) whose registered office is at Wyndmere House, Ashwell Road, Steeple Morden, Herts, UK, SG8 0NZ

WHEREBY it is mutually agreed that *(Party B)* shall carry out the assignment ('the assignment') specified in Schedule A to this agreement on behalf of *(Party A)*.

2. Quotations

2.1 *(Party A)* accepts that firm quotations can be given only against materials relating to the assignment seen in their entirety by *(Party B)*. Quotations given against materials not seen or seen only in part are provisional and are subject to written confirmation by *(Party B)* on sight of the materials in full.

2.2 If, on receipt of the assignment or at an early stage, it becomes apparent that significantly more work is required than had been anticipated in this agreement, *(Party B)* may renegotiate the fee and/or the deadline. Similarly, if, during the term of *(Party B)*'s work, additional tasks are requested by *(Party A)*, *(Party B)* may renegotiate the fee and/or the deadline. Further work on the assignment will not commence until *(Party A)* has confirmed in writing that the adjustment of the fee and/or deadline has been fully accepted.

2.3 Where the commissioned assignment is expected to take a long time to complete, *(Party B)* may agree provisional lower and upper limits for the fee on sight of the assignment in full and then, at a mutually agreed point in time during execution of the assignment, *(Party B)* will negotiate an adjustment, if necessary, of the previously agreed fee and/or deadline. Further work on the assignment will not commence until *(Party A)* has confirmed in writing that the adjustment of the fee and/or deadline has been fully accepted.

3. Scope

3.1 *(Party A)* is under no obligation to offer *(Party B)* work; neither is *(Party B)* under any obligation to accept work offered by *(Party A)*.

3.2 The materials that are the subject-matter of the assignment will be delivered on or before the start date, for the agreed fee, and will be based on the description of the assignment in Schedule A to this agreement and any additional brief supplied by *(Party A)* and agreed by *(Party B)*.

3.3 During the period of this agreement *(Party B)* may accept and perform engagements for other companies, firms or persons which do not conflict with or materially impinge on its ability to provide the assignment.

3.4 Unless prevented by ill health of employees or accident and subject to the express provisions of this agreement, *(Party B)* will undertake the assignment from the start date



until [date] or [the assignment is completed in accordance with this agreement] or until this agreement is terminated in accordance with clause 10 below.

3.5 This agreement may be extended or renewed only by mutual agreement of the parties in writing.

4. (Party A) obligations

4.1 (Party A) shall at its own expense supply (Party B) with all necessary documents or other materials and all necessary data or other information relating to the assignment within sufficient time to enable (Party B) to undertake the assignment in accordance with this agreement.

5. Supply of equipment

5.1 The assignment will be undertaken unsupervised at such times and places as determined by (Party B) using its own equipment, unless otherwise agreed by the parties in writing.

6. Payment terms

6.1 (Party A) agrees to pay (Party B) in full for its work in relation to the assignment.

6.2 On presentation by (Party B) to (Party A) of a duly completed invoice at such time(s) as agreed by the parties, (Party A) will pay (Party B) a fee of £ [] (including VAT), derived on the basis of [].

6.3 Any queries about an invoice should be raised within seven days of issue.

6.4 Payment will be made within 30 days net of invoice date, according to the Late Payment of Commercial Debts (Interest) Act 1998. If payment is not made by the due date, (Party B) shall be entitled without limiting any other rights it may have to charge interest on the outstanding amount (both before and after any judgement) at the rate of []% above the current Bank of England base rate from time to time from the due date until the outstanding amount is paid in full, as per the Late Payment of Commercial Debts Regulations 2002.

6.5 (Party A) accepts that, in the event of late or non-payment, (Party B) may refer the matter to a debt collection agency and/or start legal proceedings. (Party A) accepts full liability for meeting the additional costs that would be incurred by such legal action.

7. Additional costs

7.1 (Party B) agrees to attend (Party A)'s or other premises for necessary meetings, the time spent and agreed reasonable expenses incurred to be reimbursed by (Party A).

7.2 (Party A) will reimburse (Party B) for agreed reasonable expenses over and above usual expenses incurred in the process of undertaking the assignment. This includes but is not limited to postal, courier and special delivery charges.

[**7.3** (Party B) will no earlier than the last working day of each calendar month during the period of this agreement submit an invoice for any (Party A)-approved disbursements and other reasonable expenses which (Party B) has incurred in undertaking the assignment (if appropriately evidenced by receipts or vouchers) for which (Party B) is entitled to reimbursement.]



[7.4 *(Party A)* shall supply *(Party B)* with one free copy of the work that is the subject-matter of the assignment.]

[7.5 If *(Party B)* has made a substantial contribution to the work, it will be entitled to receive one free copy of the work that is the subject-matter of the assignment.]

8. Cancellation fee

8.1 If the assignment has been scheduled and is then cancelled prior to actual start, *(Party A)* will pay *(Party B)* a cancellation fee of up to 50% of the fee for the job.

8.2 If the assignment is cancelled once the assignment has commenced, *(Party A)* shall pay *(Party B)* in full for that proportion of the assignment already completed, plus a cancellation fee of 50% of the remainder of the assignment.

9. Indemnification

9.1 Except in respect of death or personal injury caused by *(Party B)*'s negligence, *(Party B)* shall not be liable to *(Party A)* by reason of any representation (unless fraudulent) or any implied warranty, condition or other term or any duty at common law or under the express terms of this agreement for any loss of profit or any indirect special or consequential loss, damage, costs, expenses or other claims (whether caused by the negligence of *(Party B)* or otherwise) which arise out of or in connection with the undertaking of the assignment or their use by *(Party A)* and the entire liability of *(Party B)* under or in connection with this agreement shall not exceed [50% of the total fee] or [the amount of the fee payable for one month] in respect of any single claim for the provision of the assignment except as expressly provided in this agreement.

9.2 *(Party B)* shall not be liable to *(Party A)* should the subject-matter of the assignment be delayed, lost or damaged when returned by *(Party B)* to *(Party A)* in the manner agreed by the parties.

10. Right to terminate

10.1 *(Party B)* reserves the right to refuse any assignment for any reason.

10.2 *(Party B)* reserves the right to terminate the assignment without further notice if it is delivered to it after the start date and the deadline is not appropriately extended by *(Party A)*.

10.3 While every effort is made to carry out contracts, no responsibility is taken for variation or cancellation owing to acts of God or any other cause beyond personal control. *(Party B)* or, in the event of its absence, a party acting on its behalf will notify *(Party A)* as soon as possible by the most expeditious means available to explain the circumstances, and, if *(Party A)* then wishes to terminate the agreement, *(Party A)* may do so, provided that *(Party B)* is paid in full at the agreed rate for any work already completed. *(Party A)* is not obliged to offer further work to *(Party B)*, and *(Party B)* is not obliged to accept ongoing work, even if it is offered.

10.4 *(Party B)* reserves the right to terminate the assignment without further notice if it or any part of it appears to contain any defamatory matter, breach any contract or moral rights or duty of confidence or constitute contempt of court or breach any provision of any statute or any regulation(s) made thereunder.



10.5 (*Party B*) reserves the right to refuse to accept or to terminate with immediate effect the assignment if its completion would involve the illegal copying of software programs.

10.6 This agreement will terminate automatically without any requirement for notice or payment in lieu of notice in the event that (*Party B*) becomes unable to undertake the assignment by reason of permanent incapacity or in the event that (*Party A*) or (*Party B*) goes into liquidation or makes a voluntary arrangement with its creditors or has a receiver or administrator appointed.

10.7 Either party may by written notice summarily terminate this agreement with immediate effect if the other party breaches any term of this agreement which in the case of a breach capable of remedy is not remedied by the defaulting party within 21 days of a written notice from the other specifying the breach and requiring its remedy.

10.8 (*Party B*) shall not be liable to (*Party A*) or be deemed to be in breach of this agreement by reason of any delay in performing or any failure to perform any of its obligations in relation to the assignment if the delay or failure was due to any cause beyond (*Party B*)'s reasonable control.

11. Copyright and intellectual property rights (IPR)

11.1 All intellectual property conceived or made by (*Party B*) in the course of undertaking the assignment will belong to (*Party A*) and (*Party B*) hereby assigns and agrees to assign all its interest therein to (*Party A*) or its nominee, unless otherwise agreed. Whenever requested to do so by (*Party A*), (*Party B*) will at (*Party A*)'s expense execute any and all applications, assignments or other instruments which (*Party A*) deems necessary to give effect thereto.

12. Quality of work

12.1 (*Party B*) undertakes to make all reasonable efforts to carry out the assignment in accordance with (*Party A*)'s instructions, which must be given in writing prior to the start of the assignment. (*Party A*) accepts that (*Party B*) sets its own working methods and undertakes to provide the assignment to the standards accepted within the publishing industry of the United Kingdom. (*Party B*) accepts no liability for the omission of material to which it has no reasonable access.

12.2 (*Party B*) guarantees that any work that it subcontracts on behalf of (*Party A*) will be completed to the same standard, schedule and budget and with the same conditions of confidentiality.

12.3 (*Party B*) shall make every endeavour to avoid errors. (*Party B*) accepts no responsibility for any errors, ambiguity or lack of clarity or the consequences of any errors, ambiguity or lack of clarity in original material supplied.

12.4 Where the parties agree that the assignment undertaken by (*Party B*) is not of the commissioned standard, (*Party B*) will correct the work [free of charge] or [at a rate agreed by the parties].

13. Employment status

13.1 Both parties agree and intend that this legal relationship is one of undertaking independent specialist services, and specifically is not a relationship of master and servant



or employer and employee. Nothing in this agreement shall render *(Party B)* an agent or partner of *(Party A)* and *(Party B)* will not hold itself out as such.

13.2 Unless otherwise agreed by the parties, *(Party B)* shall not be subject to directions from *(Party A)* as to the manner in which it shall perform the assignment.

13.3 *(Party B)* is registered for Value Added Tax (VAT).

13.4 *(Party B)* is responsible for its own income tax and National Insurance contributions, and for paying VAT (where applicable) and will not claim benefits granted to *(Party A)*'s employees.

13.5 *(Party B)* undertakes to *(Party A)* to indemnify *(Party A)* in respect of all and any income tax and National Insurance contributions which may be found due from *(Party A)* on any payments made to *(Party B)* under this agreement together with any interest penalties or gross-up thereon.

14. Variations of terms

14.1 Any changes or additions to the assignment or the terms of this agreement must be agreed in writing by *(Party B)* and *(Party A)*.

15. Confidentiality

15.1 Under the terms of the Data Protection Act 1998, *(Party A)* and *(Party B)* may keep on record such information (e.g. contact details) as is necessary. Either may view the other's records to ensure that they are relevant, correct and up to date.

15.2 The nature and content of the assignment will be kept confidential and not made known to anyone other than *(Party B)* and its contractors without prior written permission.

15.3 *(Party B)* will not disclose or use or cause to be disclosed or used at any time during or subsequent to this agreement any secret or confidential information of *(Party A)* or any of its clients or customers or any other non-public information relating to the business, financial or other affairs of *(Party A)* acquired by it except as required by *(Party A)* in connection with *(Party B)*'s performance of the agreement or as required by law.

15.4 All notes, computer disks and tapes, memoranda, correspondence records, documents and other tangible items made, used or held by *(Party B)* in the course of undertaking the assignment will be and remain at all times the property of *(Party A)*. At any time whether prior to or on the termination or expiration of this agreement *(Party B)* shall promptly on request deliver to *(Party A)* all such tangible items which are in its possession or under its control relating to *(Party A)*, its business affairs and clients and/or the assignment and it may not make or retain copies unless authorised in writing by *(Party A)* to do so.

15.5 On completion of the assignment or at any other time requested by *(Party A)*, *(Party B)* shall return any original photographs, negatives and rewritable media, along with any other material requested at the start of the assignment.

[**15.6** *(Party B)* shall retain any manuscripts, paper proofs and similar for a minimum of *[period]*.]

[**15.7** *(Party B)* shall retain any electronic files held for a minimum of *[period]*.]



Schedule A

The assignment shall consist of:

To include inter alia:

[Specify work to be undertaken]

[Specify length of contract]

[Specify how the materials that are the subject matter of the contract should be delivered and returned]