

CLARITY ENVIRONMENTAL LIMITED

Standard Terms and Conditions of Membership
("Conditions")

These Conditions apply to the Membership Agreement (as defined below) in force between Clarity Environmental Limited (Co. No 04559478) whose registered office is at 10 Hunns Mere Way, Woodingdean Business Park, Brighton, BN2 6AH (the "**Company**") and the entity identified as the member in the Application Form. The Company operates a WEEE compliance scheme with approval number WEE/XP3538PP/SCH, and its VAT registration number is GB 819 3044 34.

1. DEFINITIONS AND INTERPRETATION

1.1 In these Conditions, the following definitions shall apply:

"AAARP"	in relation to information prepared or submitted by the Member, as accurate as reasonably possible;
"Act"	the Environment Act 1995 (as amended and updated from time to time);
"Agency"	the Environment Agency, the Scottish Environment Protection Agency or Northern Ireland Environment Agency (as the context requires) or any successor to the same;
"Agency Registration Fee"	a registration fee payable on a yearly basis by the Member to the Company, the amount of which is determined by Member's Membership Category (and is as set out on the Scheme Website and updated from time to time);
"Application Form"	the application form (including the notes thereto) signed by the Member;
"Business Day"	a day (not being a Saturday or Sunday or public holiday) on which banks are open for normal banking business in the City of London;
"Commencement Date"	the date on which the Membership Agreement is formed in accordance with Condition 2.3;
"Compliance Period"	has the same meaning as set out in the Regulations, for the time being a calendar year;
"Compliance Scheme"	any compliance scheme approved under the Regulations;
"Confidential Information"	all information of a confidential nature which is imparted or obtained under or in connection with the Membership Agreement (whether in writing, verbally or by other means and whether directly or indirectly) including (without limitation) any secret or confidential information concerning the business, financial or contractual arrangements or other dealings or affairs of the other party or of any customer or client of that other party;
"Data Protection Act"	the Data Protection Act 1998 as updated and amended from time to time;
"Declaration of Compliance"	has the same meaning as set out in the Regulations;
"Directive"	the European Parliament and Council Directive 2002/96/EC dated 27 January 2003 on WEEE, as amended;
"EEE"	electrical and electronic equipment, as defined in the Regulations;
"Evidence Note"	has the same meaning as in the Regulations;
"Extended Term"	has the meaning given in Condition 2.4;
"Fixed-price Member"	a Non-VAT Member, Fixed5 Member, Fixed10 Member or Fixed20 Member;
"Fixed5 Member"	a Member that anticipates putting no more than five (5) tonnes of non-hazardous EEE on the market in the Compliance Period in question;
"Fixed10 Member"	a Member that anticipates putting between five (5) and ten (10) tonnes of non-hazardous EEE on the market in the Compliance Period in question;
"Fixed20 Member"	a Member that anticipates putting between ten (10) and twenty (20) tonnes of non-hazardous EEE on the market in the Compliance Period in question;

“Full Member”	a Member other than a Fixed-price Member;
“Initial Term”	has the meaning given in Condition 2.4;
“Legislation”	all statutes, enacting instruments, common law, delegated legislation, regulations, directives, bye-laws, codes of practice, circulars, guidance notes, decisions, recommendations and the like, including, without limitation, the Act, the Directive, the Regulations and the Data Protection Act;
“Member”	any Producer (as defined below) or business end-user who is a member of the Scheme pursuant to the Membership Agreement;
“Membership Agreement”	the membership agreement between the Company and the Member which is governed by these Conditions and which is formed in accordance with Condition 2.3;
“Membership Category”	the Member’s membership category as determined by reference to the flow-chart provided on the Scheme Website at url http://weee.clarity.eu.com/flowchart.php . The membership categories for Producers are Full Member, Fixed5 Member, Fixed10 Member, Fixed20 Member, and Non-Vat Member;
“Membership Fee”	the membership fee payable by the Member (determined by reference to its Membership Category) in respect of its membership of the Scheme and the amounts of which (for the Initial Term and, if applicable, the Extended Term) are as stated on the Application Form but, if none are so stated, the amounts shown on the Scheme Website for the relevant Compliance Period(s) and which, in either case, may be varied in accordance with Condition 2.7;
“Non-Household WEEE”	all WEEE other than WEEE from Private Households as defined in the Regulations;
“Non-Producer Member”	a member that is a business end-user, but not a Producer;
“Non-VAT Member”	a member that is not, or is not required to be, registered under the Value Added Tax Act 1994;
“Obligations”	the obligations of a Producer as set out in Part 3 of the Regulations;
“Private Households”	has the same meaning as in the Regulations;
“Producer”	has the same meaning as in the Regulations;
“Regulations”	Waste Electrical and Electronic Equipment Regulations 2006 (S.I. 2006/3289), as may be amended from time to time;
“Scheme”	the Compliance Scheme operated by the Company under the Membership Agreement as approved under the Regulations with approval number WEE/XP3538PP/SCH;
“Scheme Website”	the scheme website to be found at url http://weee.clarity.eu.com ;
“Services”	the services provided by the Company to the Member under the Scheme in accordance with Condition 3.2;
“Termination Warning Date”	where the Initial Term or an Extended Term endures for more than one Compliance Period, 15 October of the last Compliance Period of the Initial Term or Extended Term, as the case may be, or, where the Initial Term or an Extended Term is for one Compliance Period, 15 October of the relevant Compliance Period;
Unforeseen Event.	an event beyond the reasonable control of the Company including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Company or any other party), failure of a utility service or transport network, 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 subcontractors
“WEEE”	waste electrical and electronic equipment as defined in the Regulations;
“WEEE Financing Fee”	the fee payable by a Full Member and/or a Non-Producer Member to the Company to cover the cost of collection, treatment, recovery and environmentally sound disposal of WEEE; and
“WEEE from Private households”	has the same meaning as in the Regulations.

- 1.2 In these Conditions:
- 1.2.1 any reference to a law, directive, statute, bye-law, regulation, secondary, ancillary or delegated legislation or related non-legislative, rules, guidance, arrangements or codes of practice will be construed as referring also to any modification, re-enactment, replacement, extension or consolidation of the same, in force from time to time (whether before or after the date of the Membership Agreement);
- 1.2.2 references to any party will, where relevant, be deemed to be references to or include, as appropriate, their lawful successors, assigns and transferees;
- 1.2.3 a reference to “subsidiary” in relation to a company wherever incorporated (a holding company) means a “subsidiary” as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee. Unless the context requires otherwise, the application of the definition of subsidiary to any company at any time shall apply to the company as it is at that time
- 1.2.4 use of the singular is deemed to include the plural and vice versa;
- 1.2.5 expressions denoting “in writing” or “written” shall, unless the contrary intention appears, be construed as including text that is:
- (a) transmitted by electronic means,
 - (b) received in legible form, and
 - (c) capable of being used for subsequent reference;
- 1.2.6 a reference to one gender shall include a reference to the other genders;
- 1.2.7 “person” or “persons” shall include firms and corporations;
- 1.2.8 the headings will not affect interpretation;
- 1.2.9 references to a “month” are to a calendar month, unless otherwise stated; and
- 1.2.10 reference to a Condition unless the context otherwise requires, is reference to a condition of these Conditions.

2. MEMBERSHIP

- 2.1 A prospective member of the Scheme which completes, signs and submits an Application Form shall be deemed to have made an offer to the Company to become a Member subject to these Conditions.
- 2.2 If a prospective member is a member of another Compliance Scheme or was a member of a Compliance Scheme in the 12 months prior to the date it submits its Application Form, it shall at the same time as it submits the Application Form also provide written confirmation that its membership of that other Compliance Scheme will terminate prior to its proposed date of membership of the Scheme or, if appropriate, that it is no longer a member of that other Compliance Scheme.
- 2.3 The Membership Agreement shall be deemed to have been formed, and the prospective member shall become a Member for the relevant Compliance Period(s), when the Company:
- 2.3.1 issues a written acknowledgement of receipt of the Application Form; and
- 2.3.2 receives payment in full and cleared funds of:
- (a) the Membership Fee; and
 - (b) the Agency Registration Fee.
- 2.4 With effect from and including the Commencement Date, the Membership Agreement shall continue, unless terminated earlier in accordance with Condition 8, until the last day of the final Compliance Period shown on the Application Form (“**Initial Term**”). The term of the Membership Agreement shall automatically extend for the period stated in the Application Form (“**Extended Term**”) at the end of the Initial Term and at the end of each Extended Term, unless either party gives written notice to the other in accordance with Condition 8.3 to terminate the Membership Agreement at the end of the Initial Term or the relevant Extended Term, as the case may be.
- 2.5 If neither party has terminated the Membership Agreement in accordance with these Conditions, the Company shall invoice the Member for and the Member shall pay:
- (a) the then applicable Membership Fee prior to the commencement of each Extended Term; and

(b) the then applicable Agency Registration Fee prior to the commencement of each Compliance Period.

- 2.6 Where, during a particular Compliance Period, a Fixed-price Member exceeds the limits for their current Membership Category, the Member will automatically become a Member of the appropriate higher Membership Category and the Member shall be liable to pay the Membership Fee associated with that higher Membership Category. In addition to such higher Membership Fee, the Company shall be entitled to levy on the Member an administration fee in as may be reasonably determined by the Company from time to time. If a Member's Membership Category changes pursuant to this Condition 2.6, the Member shall remain in that higher Membership Category for the remainder of the Initial Term or Extended Term, as the case may be.
- 2.7 The Member acknowledges that, from time to time, the legislation relating to EEE, WEEE and/or Compliance Schemes (including but not limited to the Act, the Directive and the Regulations) may be amended or replaced and that such changes may require the Company to change the amount it levies as the Membership Fee. If any such change occurs which necessitates the Company to increase the Membership Fee, the Member shall be obliged to pay such additional amount to the Company as it notifies to the Member and time for payment shall be that specified in the relevant notice. Similarly, if any such change results in a decrease in the Membership Fee, the Company shall refund the Member the appropriate proportion of the Membership Fee within a reasonable time of the change taking effect.

3. THE SCHEME

- 3.1 Subject to the Member paying all fees due to the Company under the Scheme, including but not limited to fees pursuant to Conditions 2.3 and 2.5 and the WEEE Financing Fee, where relevant, the Company will provide the Member with the Services set out in Condition 3.2, as applicable to its Membership Category, in respect of its Obligations under regulations 8, 9, 12, 13 and 36 of the Regulations.
- 3.2 Subject to Condition 3.3, the Company shall:
- 3.2.1 register the Member with the Agency;
 - 3.2.2 finance the cost of collection, treatment, recovery and environmentally sound disposal of WEEE from Private Households and Non-Household WEEE, as appropriate;
 - 3.2.3 prioritise the re-use of whole appliances;
 - 3.2.4 arrange for the treatment of WEEE at Approved Authorised Treatment Facilities (as defined in the Regulations);
 - 3.2.5 provide data reports specified by the Agency, as required, including the amount, in tonnes, of EEE put on the market in the United Kingdom in each Compliance Period or part of a Compliance Period (as applicable), by the Member;
 - 3.2.6 submit a Declaration of Compliance to the Agency by the statutory deadline in the year immediately following the expiry of the Compliance Period;
 - 3.2.7 keep records of the information referred to above for a minimum of at least four (4) years; and
 - 3.2.8 in the case of any Fixed-price Member and at the Fixed Member's reasonable request, collect from the Member's principal place of business, but no more than four times in a Compliance Period, such reasonable quantities of Non-Household WEEE (being no less than [1 tonne]) for which: (a) the Member is responsible as a Producer under the Regulations; and (b) have arisen during the Initial Term or Extended Term, as the case may be.
- 3.3 For the avoidance of doubt the Services shall not include the Company undertaking the Member's Obligations under regulations 10,11, 14, 15, 16, 17, 18 of the Regulations in respect of which the Member still remains directly responsible for fulfilling.
- 3.4 The Company shall operate the Scheme:
- 3.4.1 in the best interests of its Members as a whole;
 - 3.4.2 in a manner which uses reasonable endeavours to carry out its operations diligently and in a reasonable, proper and cost effective manner having regard to the interests of Members in securing compliance with the Regulations; and
 - 3.4.3 in a manner which exercises the skill and expertise reasonably to be expected of an organisation registered under the Regulations as a Compliance Scheme.

4. WEEE FINANCING FEE

- 4.1 This Condition 4 shall apply to Full Members and Non-Producer Members.
- 4.2 The amount of the WEEE Financing Fee is based on the rate prevailing at the date of the Company's quotation and the Company may increase the price to cover any increases due to market conditions (including, but not limited to, increases

in labour, materials, supply or transportation costs) which affect the Company at the date of collection of the relevant WEEE.

- 4.3 The amount of the WEEE Financing Fee shall be the Company's quoted price, or where no price has been quoted (or a quoted price is no longer valid) the price listed in the Company's price list current at the date of collection.
- 4.4 The Company reserves the right, by giving notice to the Member at any time before collection of the WEEE, to increase the amount of the WEEE Financing Fee to reflect any increase in the cost to the Company which is due to any factor beyond the control of the Company (including, but not limited to, any foreign exchange fluctuation, currency regulation, alteration of duties, change in legislation, increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or categories for the WEEE which is requested by the Member, or any delay caused by any instructions of the Member or failure of the Member to give the Company adequate information or instructions.
- 4.5 Any quotation for a WEEE Financing Fee shall automatically expire at 23:59 on the day the Company provided such quotation to the Member.
- 4.6 The Company will invoice the Member for the WEEE Financing Fee shortly following collection of the WEEE.

5. MEMBER'S OBLIGATIONS

- 5.1 The Member shall not seek to fulfil its Obligations under regulations 8, 9, 12 or 13, of the Regulations other than pursuant to its membership of the Scheme.
- 5.2 The Member shall provide to the Company, within the time limits specified by the Company, such information and data in such form and to the standard of accuracy as may be requested from time to time in pursuant to the Scheme including, without limitation, the following:
 - 5.2.1 information required to be provided by the Company directly or indirectly in respect of the Member to any person (including, without limitation, to the Agency) by Legislation, including without limitation, information required to be provided to the Company in accordance with the Member's Obligation as a Producer under Regulation 11;
 - 5.2.2 information relating to the amount in tonnes of EEE which the Member has put on the market in the United Kingdom during the Compliance Period which falls within:
 - (a) the categories of EEE listed in Schedule 1 to the Regulations (excluding display equipment, cooling appliances containing refrigerants and gas discharge lamps),
 - (b) display equipment;
 - (c) cooling appliances containing refrigerants; and
 - (d) gas discharge lamps.
 - 5.2.3 For each numbered category referred to in Condition 5.2.2, the amount in tonnes of EEE (to three decimal places) that was or is intended for use by:
 - (a) Private Households; and
 - (b) users other than Private Households.
- 5.3 The Member represents and warrants to the Company that all information and data supplied to the Company by the Member under the Scheme is and shall be, to the best of the Member's knowledge and belief AAARP.
- 5.4 The Member shall inform the Company in writing immediately (and, in any event within 3 days) upon becoming aware that any information or data previously provided by it to the Company does not satisfy the standard of accuracy required, by either the Company for the purposes of the Scheme and/or the Agency, in respect of such information or data and shall as soon as possible thereafter supply to the Company:
 - 5.4.1 a written statement explaining in which respect the information originally supplied did not satisfy such standard of accuracy; and
 - 5.4.2 (to the extent to which it is still relevant) the information originally requested to the required level of accuracy.
- 5.5 The Member shall inform the Scheme in writing immediately upon becoming aware of any change to the information or data previously supplied by the Member to the Company pursuant to the Scheme.
- 5.6 The Member agrees to be audited by an auditor approved by the Company to verify that the information and data provided to the Company under the Scheme is AAARP. Audits will be at the Member's cost and shall be carried out periodically, depending on the size of the Member's Obligation.
- 5.7 For the purposes of an audit pursuant to Condition 5.6, the Company may by written notice to the Member request that the Company (or its authorised auditors or agents) shall have access to the Member's premises and to relevant books, records, data and/or information of the Member either in order to verify the completeness or accuracy of any information or

data provided by the Member to the Company in accordance with this Condition 4 or in order to obtain such information.

- 5.8 If the Company makes a request under Condition 5.7 above, the Member shall within ten (10) Business Days, (or longer if agreed) of such notice give all the necessary access and assistance to the Company and/or the Company's auditors and/or agents to enable the Company verify and/or obtain the requested information and/or data.
- 5.9 If the Member fails to provide any such access and assistance to enable the Company and/or the Company's auditors and / or agents to enable the Company verify and/or obtain the requested information and/or data within ten (10) Business Days, (or longer if agreed) from the date of such request then the Company and/or its auditors and/or agents shall be entitled to enter onto the premises of the Member where the Company has reason to believe that such information and data is stored. The Member hereby licenses the Company and/or the Company's authorised auditor's or agents to enter upon any relevant premises of the Member in order to give effect to this Condition.
- 5.10 The Member agrees that the Company shall be entitled to provide copies and/or details of information provided to the Company by the Member in accordance with the Membership Agreement to the Agency, or to any other equivalent European agency, or to any other governmental authority to which the Company is obligated and/or as the Company deems necessary in the interests of the Scheme and its Members as a whole.
- 5.11 The Member shall maintain and store in either electronic or written form within the United Kingdom all documents, data and/or records it holds, obtains or creates in respect of its membership of the Scheme, its Obligations under the Regulations, and these Conditions for a period of at least four (4) years from the date of such document, data and/or records.
- 5.12 The Member acknowledges that the Scheme may from time to time on reasonable notice in its absolute discretion alter the requirements for the format or period of storage for those documents, data or records that it required to hold pursuant to these Conditions.
- 5.13 The Member shall inform the Company in writing as soon as practicable, and in any event within twenty-eight (28) days, of a change in the registered office address or in the company details provided to the Company.

6. INDEMNITY

- 6.1 The Member hereby irrevocably and unconditionally agrees to indemnify the Company and keep the Company fully and effectively indemnified against any and all losses, claims, damages, costs, charges, expenses (including all reasonable legal and other costs and expenses, together with value added and similar taxes thereon (if applicable), liabilities, demands, proceedings and actions which the Company may sustain or incur, or which may be brought or established against it by any person and which in any case arise out of or in relation to:
 - 6.1.1 any material failure by the Member duly and punctually to provide any information and/or data which the Member is obliged to provide to the Company pursuant to its Obligations;
 - 6.1.2 any of the information and/or data provided by the Member pursuant to its Obligations failing to satisfy the standard of accuracy required in respect of such information and/ or data including, for the avoidance of doubt, arising from the Scheme purchasing additional Evidence Notes as a result of the Member understating such information and/or data and from the Company selling surplus Evidence Notes as a result of the Member overstating such information and/or data;
 - 6.1.3 any failure by the Member duly and punctually to pay instalments of the appropriate Scheme fee(s) when due;
 - 6.1.4 the negligence, recklessness or wilful misconduct of the Member in the performance of any of its obligations under the Membership Agreement; or
 - 6.1.5 any breach or alleged breach of the Regulations and/or any applicable Legislation or relevant regulations.

7. PAYMENTS

- 7.1 All fees and amounts payable by the Member under the Membership Agreement,
 - 7.1.1 are exclusive of any applicable value added tax or any similar taxes in force from time to time, and the Member shall additionally pay such taxes at the rate and in the manner for the time being prescribed by law; and
 - 7.1.2 shall be paid by the Member in full without any deduction, withholding, counterclaim or set off within thirty (30) days of the date of the invoice.
- 7.2 All Membership Fees and Agency Registration Fees received by the Company are non-returnable.
- 7.3 If any sum payable by the Member to the Company under the Membership Agreement remains unpaid for more than thirty (30) days from the date of the invoice, the Company may charge the Member interest on such sum at the rate of four per cent (4%) per annum above Barclays Bank Plc's base rate or the prevailing rate pursuant to statute (whichever

is the greater) from time to time. Such interest shall accrue on a daily basis from the last date for payment of the same to the date of actual payment (both dates inclusive) after as well as before any judgement. Such interest shall be paid by the Member to the Company on demand.

- 7.4 If any payment is not made by the Member to the Company by the due date in respect of such payment the Company reserves the right, without prejudice to any other remedy which it may have either under these Conditions or in law, to suspend its provision of the Services or terminate the Membership Agreement in accordance with Condition 8.1.3.
- 7.5 Complaints by the Member in respect of any Services alleged to be defective shall not constitute a ground for the Member to withhold payments of fees in respect of the same and shall not give rise to any right of set-off against payments due from the Member to the Company.
- 7.6 The Member shall make all payments of monies due under the Membership Agreement by debit or credit card, CHAPS, BACS, cheque, directly into the Company's bank account (details of which will be provided to Member from time to time), or by cheque made payable to "Clarity Environmental Ltd."

8. TERMINATION

- 8.1 The Company may terminate the Membership Agreement by giving written notice to the Member and termination shall take effect at the end of the then current Compliance Period, if:
- 8.1.1 any material breach by the Member of any of its obligations under the Membership Agreement which, if capable of remedy, shall not have been remedied to the reasonable satisfaction of the Company within thirty (30) days of receipt by the Member of a written request from the Company for such breach to be remedied; or
- 8.1.2 any failure by the Member to comply with its obligations to provide information under Condition 5 or where such information that is provided under Condition 5 is not, in the Company's reasonable opinion AAARP; or
- 8.1.3 any failure by the Member to pay to the Company any sum due under the Membership Agreement within thirty (30) days of the due date for payment of the same; or
- 8.1.4 the Member (being an individual) has a bankruptcy petition presented against him (such petition not being dismissed within 14 days), presents his own bankruptcy petition, proposes a voluntary arrangement with his creditors or a deed of arrangement, is unable to pay his debts within the meaning of Section 268 of the Insolvency Act 1986, dies, becomes of unsound mind or becomes incapable through illness or injury of being able properly to perform his obligations under the Membership Agreement; or
- 8.1.5 the Member (being a partnership) becomes unable to pay its debts within the meaning of Section 222 of the Insolvency Act 1986, is presented with a petition that the Member be wound up or dissolved (such petition not being dismissed within 14 days) or upon the dissolution of the Member; or
- 8.1.6 the Member (being a corporate body) becomes unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, proposes or makes a composition or arrangement with its creditors, the presentation of a petition that the Member is put into liquidation or administration (such petition not being dismissed within fourteen (14) days), the passing of a resolution putting the Member into voluntary liquidation (other than for the purposes of a bona fide scheme of solvent amalgamation or reconstruction), the appointment of an administrator, provisional liquidator, receiver, manager or administrative receiver, the crystallisation of a floating charge over the business undertaking and/ or assets or any part thereof of the Member or the dissolution of the Member or a court of competent jurisdiction making an order to that effect or if the Member shall enter into any voluntary arrangement with its creditors or shall become subject to an administration order or shall cease to carry on business, or anything analogous in any jurisdiction in which that Member is located; or
- 8.1.7 the Member informs the Company of any change in its circumstances or supplies new information to the Company in accordance with its obligations under Condition 5 which, in the reasonable opinion of the Company, makes the Member ineligible to continue as a member of the Scheme; or
- 8.1.8 the Member does not comply with all and/or any of its obligations under the Membership Agreement and the Company (acting reasonably) believes that such noncompliance adversely affects or is likely to adversely affect the interests of the Members as a whole.
- 8.2 The Member may by giving written notice to the Company terminate the Membership Agreement and termination shall take effect at the end of the then current Compliance Period if:
- 8.2.1 the Company is in material breach of the Membership Agreement and that breach is not capable of remedy; or
- 8.2.2 the Company is in material breach of the Membership Agreement and the breach is capable of remedy and the Company fails to remedy the breach within thirty (30) days of written notice from the Member specifying the breach and requiring its remedy; or
- 8.2.3 any events of the type listed in Condition 8.1.6 should occur to the Company (as opposed to the Member).
- 8.3 Either party may terminate the Membership Agreement by giving to the other written notice:
- 8.3.1 at least three (3) months' prior to the Termination Warning Date, such notice to take effect on the expiry the then current

Compliance Period; or

- 8.3.2 if the Scheme shall at any time cease to be registered as a Compliance Scheme, and in such circumstances termination shall take effect with immediately.
- 8.4 The termination of the Membership Agreement for whatever cause shall not affect any provision of the same which is expressed to survive or operate in the event of such termination and shall not prejudice or affect the rights of either party against the other in respect of any breach of the Membership Agreement or any monies payable by one party to the other in relation to any period prior to termination.

9. CONSEQUENCES OF TERMINATION

- 9.1 Should the Member terminate the Membership Agreement pursuant to Condition 8.3.1, it shall pay to the Company by way of liquidated damages a sum equal to the product of the Membership Fee paid for the then current Compliance Periods and the number of Compliance Periods in the Initial Term or the Extended Term (as the context requires) for which it will no longer be a Member.
- 9.2 Upon termination of the Membership Agreement for any reason:
- 9.2.1 all outstanding unpaid invoices in respect shall become immediately payable in place of the payment terms previously agreed between the parties;
- 9.2.2 any additional costs or expenses incurred by the Company as a result of such termination by the Company in accordance with Condition 8 shall become immediately due and payable by the Member;
- 9.2.3 The Company shall no longer be liable to the Member to provide the Services on behalf of the Member in accordance with Condition 3. For the avoidance of doubt the Company shall have no liability to provide the Services in respect of EEE which entered the marketplace prior to the termination of the Membership Agreement which becomes WEEE after such termination; and
- 9.2.4 the Member shall cease to hold himself out as a member of the Scheme.
- 9.3 The Member shall not be entitled to any compensation or indemnity as a result of the termination of the Membership Agreement in accordance with these Conditions.

10. EXCLUSION AND LIMITATION OF LIABILITY

- 10.1 Nothing in the Membership Agreement or these Conditions shall exclude or limit the Company's liability to the Member in respect of death or personal injury.
- 10.2 The Company shall not be liable to the Member under the Membership Agreement or under these Conditions in contract, tort (including negligence) or otherwise for any indirect or consequential loss of whatever kind including, without limitation, loss of profit, goodwill, contract, business opportunity and anticipated savings.
- 10.3 The Company's total liability under the Membership Agreement in respect of any claim, arising from any action in contract, tort (including negligence) or otherwise, shall not exceed in aggregate the amount paid under Condition 2.
- 10.4 The express terms of the Membership Agreement and these Conditions are in lieu of all warranties, conditions, terms, undertakings and obligations implied by statute, common law, custom, trade usage, course of dealing or otherwise, all of which are hereby excluded to the fullest extent permitted by law.
- 10.5 This Condition 10 will survive the termination of the Membership Agreement for whatever cause.

11. CONFIDENTIALITY

- 11.1 Each party undertakes to the other that during the term of the Membership Agreement and thereafter for a period of three (3) years it will keep secret and will not without the prior written consent of that other party disclose to any third party except for a party's legal and professional advisors any Confidential Information learned by the recipient party except where any Confidential Information:
- 11.1.1 comes into the public domain otherwise than through unauthorised disclosure by anyone in breach of any obligations of confidentiality;
- 11.1.2 is already known to the recipient party prior to the commencement of the Membership Agreement;
- 11.1.3 is independently, lawfully acquired by the recipient party;
- 11.1.4 is lawfully acquired from a third party who owes no duty of confidence to the disclosing party; or

- 11.1.5 is required by any court of competent jurisdiction or by a governmental or regulatory authority to be disclosed or where there is a legal right, duty or requirement to disclose, provided that where possible and without breaching any such requirements two (2) days notice are given to the disclosing party of any such disclosure.
- 11.2 To the extent that it is necessary to implement the provisions of the Membership Agreement the recipient party may disclose Confidential Information to its employees and/or sub-contractors as may reasonably be necessary provided that the recipient party will:
- 11.2.1 before disclosure, make such employees and/or sub-contractors aware of their obligations of confidentiality under these Conditions;
- 11.2.2 at all times take all reasonable steps to procure compliance with such obligations of confidentiality; and
- 11.2.3 if requested by the disclosing party, procure named employees to execute a confidentiality agreement directly in favour of the disclosing party.
- 11.3 The provisions of this Condition 11 shall survive the termination of the Membership Agreement.

12. DATA PROTECTION

- 12.1 In this Condition 12, the terms “personal data”, “data”, “data subject” and “processing” shall have the meanings ascribed to them in the Data Protection Act 1998.
- 12.2 Each party shall comply with any data protection, privacy or similar laws anywhere in the world, including, the Data Protection Act 1998, that apply in relation to any personal data processed in connection with any Services provided by the Company to the Member under the Membership Agreement, and shall render such assistance and co-operation as is reasonably necessary or reasonably requested by the other party in order to comply with such obligations.

13. ASSIGNMENT

- 13.1 The Member shall not assign, transfer, charge or otherwise deal with its rights or obligations under the Membership Agreement, or attempt to do any of the above.

14. NON-WAIVER

- 14.1 Any failure or delay in enforcing an obligation or exercising a right, under the Membership Agreement or under these Conditions, does not amount to a waiver of that obligation or right.
- 14.2 The waiver of a breach of a term of the Membership Agreement or these Conditions does not amount to a waiver of any other term.

15. REMEDIES NOT EXCLUSIVE

- 15.1 No remedy conferred by any provisions of the Membership Agreement or these Conditions is intended to be exclusive of any other remedy and each and every such remedy will be cumulative.

16. SEVERABILITY

- 16.1 If any provision of the Membership Agreement or these Conditions is declared invalid or unenforceable by any court or authority of competent jurisdiction all other provisions of the Membership Agreement and these Conditions will remain in full force and effect and will not in any way be impaired; and the parties will meet to agree a replacement provision which is as close as is legally permissible to the provision found invalid, or unenforceable.

17. ENTIRE AGREEMENT

- 17.1 The Membership Agreement and these Conditions constitute the whole agreement and understanding between the parties with respect to the subject matter of the Membership Agreement and supersedes all prior agreements, negotiations and discussions between the parties relating to the subject matter of the Membership Agreement.
- 17.2 Both parties acknowledge that, save for fraudulent misrepresentation, they have not entered into the Membership Agreement in reliance on any statement or representation, whether or not made by the other, except in so far as the representation has been incorporated into the Membership Agreement and/or these Conditions.
- 17.3 Both parties irrevocably and unconditionally waive any right they may have to claim damages and/or to rescind the Membership Agreement by reason of any misrepresentation (other than a fraudulent misrepresentation) not contained in

the Membership Agreement or these Conditions.

18. NOTICES

- 18.1 Any notice to be given under these Conditions must be in writing (a "Notice") and delivered personally, posted by recorded delivery, e-mail, or facsimile transmission to the address set out in this Condition.
- 18.2 The address for service of Notices for the Company will be as set out in the Membership Agreement or as otherwise notified from time to time: E-mail: info@clarity.com.
- 18.3 The address or e-mail address for service of Notices for a Member will be as set out in the Membership Agreement or as otherwise notified from time to time.
- 18.4 A Notice will be deemed to have been served:
- 18.4.1 if personally delivered, at the time of delivery;
- 18.4.2 if posted by recorded delivery, two Business Days after posting;
- 18.4.3 if sent by facsimile, when clearly received in full, if before 5pm in the receiver's country that Business Day, or otherwise on the next Business Day; or
- 18.4.4 if sent by email, on automatic return delivery receipt of the email to the sender whether or not read or opened by the party receiving the Notice.

19. VARIATIONS

- 19.1 The Company may revise these Conditions at any time by amending them at url http://weee.clarity.eu.com/terms_membership.php. The Member is expected to check this page from time to time to take notice of any changes the Company has made as they are binding on the Member.
- 19.2 Any variation or amendment required by the Member will only be effective if made in writing and signed by a director of the Company or their duly authorised representative.

20. FURTHER ASSURANCE

- 20.1 The parties to the Membership Agreement shall execute and do all such further deeds, documents and things as may be necessary to carry the provisions of the Membership Agreement into full force and effect.

21. LEGAL STATUS

- 21.1 Nothing in the Membership Agreement and no action taken by the parties under the same shall constitute a partnership, association, joint venture or other co-operative entity or relationship of employer and employee between the parties.

22. UNFORESEEN EVENTS

- 22.1 The Company shall not be liable to the Member as a result of any delay or failure to perform its obligations under the Membership Agreement as a result of an Unforeseen Event.
- 22.2 If the Unforeseen Event prevents the Company from providing any of the Services for more than two weeks, the Company shall, without limiting its other rights or remedies, have the right to terminate the Membership Agreement immediately by giving written notice to the Member.

23. GOVERNING LAW

- 23.1 The Membership Agreement will be governed by the laws of England and Wales and the parties submit to the exclusive jurisdiction of the English Courts.

Clarity Environmental Limited
21 May 2013