

Merlin Entertainments Group

Standard conditions of purchase for goods and services

1 IN THESE CONDITIONS:

1.1 The following expressions shall have the following meanings:

ADR notice	has the meaning given in Condition 34.1.2;
Attractions	the trading division(s) or attraction(s) of Merlin named in the Order and by or on behalf of which the Order is placed;
Conditions	the standard terms and conditions of purchase of Merlin as set out herein and including its Appendix and any additional terms and conditions of purchase agreed in Writing by Merlin;
Contract	the contract for the purchase of Goods and/or Services comprising the Order, these Conditions and any other documents attached to or referred to in the Order;
Data Protection Laws	means the EU General Data Protection Regulation (EU) 2016/679 ("GDPR"), the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended, all as implemented in applicable national legislation in Member States, the Data Protection Act 2018, and any other applicable laws relating to the processing of personal data and privacy, including including any data protection laws in the UK post any exit by the UK from the European Union and, where applicable, the guidance and codes of practice issued by the relevant Information Commissioner or a relevant government body;
Deliverables	all documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form or media, including without limitation drawings, maps, plans, models, diagrams, designs (including where applicable, digital layered files) and design details, pictures, computer programs, data, specifications, reports (including drafts), photographs, brochures and other documents, works or data and additions and amendments made to any of the foregoing;
Delivery	delivery of Goods and/or Services at the Attraction and off-loading of the Goods from any transport used and "deliver" and "delivered" shall be construed accordingly;
Delivery Date	such date as is specified in the Order and such time on this date as the Attraction's distribution centre or the Supplier's primary contact, in relation to the Order at the Attraction, subsequently notifies to the Supplier for performance of the Supplier's obligations;
Delivery Requirements	the delivery requirements of Merlin as stipulated in the Order or otherwise agreed in writing by the parties;
Dispute	has the meaning given to it in Condition 34.1;
Dispute Notice	has the meaning given to it in Condition 34.1.1;
Force Majeure	has the meaning given to it in Condition 22;
Goods	the goods (including any instalment of the goods or any part of them) which are the subject of the Order, including, where applicable, the Deliverables;
Intellectual Property Rights	patents, utility models, rights to inventions, copyright and related rights, moral rights, logos, trademarks and service marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), semiconductor topography rights, image rights, rights in personality and similar rights, and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
Loss	has the meaning given to it in Condition 26.2;
Merlin	the legal entity within the Merlin Group named in the Order, which entity shall be considered to have acted on its own behalf and, for the purpose only of conferring on them the benefit of Merlin's rights under the relevant contract, on behalf of all other members of the Merlin Group;
Merlin's Ethical Dealing Principles	has the meaning given to it in the Appendix to these Terms;
Merlin Contact	has the meaning given to it in Condition 18.1.1;
Merlin Group	Merlin Entertainments plc, its subsidiaries and subsidiary undertakings from time to time, its holding companies and parent undertakings from time to time and any undertaking which, in relation to such holding company or parent undertaking, is a subsidiary or subsidiary undertaking and references to a "Merlin Group company" or "member of the Merlin Group" shall be construed accordingly;
Merlin Materials	all materials, equipment and tools, drawings, specification and data supplied by Merlin to the Supplier;
New Supplier	means a supplier (who is not the Supplier) appointed by a member of the Merlin Group to supply the Goods or Services or similar Goods or Services) in succession to the Supplier on expiry or termination on the Contract;
Order	an order placed by Merlin for the purchase of Goods and/or Services on Merlin's standard order form, which incorporates these Conditions, duly signed by an authorised representative of Merlin and stating the Attraction's Order number;

Services

the work, installation or services or any of them to be provided and where necessary delivered by the Supplier pursuant to the Order or any applicable specification or scope of works set out in an Order including, where applicable, the Deliverables;

Supplier

the individual, firm, company or other party who is named in an Order from Merlin for the Supply of Goods and/or Services including their employees, agents or representatives;

Supply

includes but shall not be limited to, where the context so admits, lease, hire or loan of Goods and supply or provision of Services and "supplies" "supplying" and "supplied" shall be construed accordingly for the term set out in the Order;

TUPE

means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended or replaced); and

Writing

includes electronic communication and comparable means of communication and "written" shall be construed accordingly.

- 1.2 In these Conditions (unless the context requires otherwise) the terms "company", "body corporate", "subsidiary", "undertaking", "subsidiary undertaking", "holding company" and "parent undertaking" have the meanings given to them in the Companies Act 2006; but for the purposes of section 1159(1) of the UK Companies Act 2006, a company shall be treated as a member of another company if any shares in that other company are registered in the name of either (a) a person by way of security (where the company has provided the security) or (b) a person as nominee for the company".
- 1.3 Words importing the singular number shall include the plural and vice versa, words importing one gender shall include the other genders and words importing persons shall include bodies corporate, unincorporated associations and partnerships.
- 1.4 Only persons authorised by Merlin to negotiate and/or enter into contracts on behalf of Merlin shall be deemed to have authority from Merlin for their instructions and acts.
- 1.5 Words following the terms "including", "include", "includes", "in particular", "for example" or similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms whether or not such terms are followed by the words "without limitation" or other similar words.

2 OFFER

The Order constitutes an offer on the part of Merlin to the Supplier to purchase the Goods and/or Services from the Supplier on the terms set out in the Order subject to these Conditions. In the event of any inconsistency between the terms set out in the Order and these Conditions the terms set out in the Order shall prevail.

3 ACCEPTANCE OF ORDER

- 3.1 The Order shall be deemed to be accepted on the earlier of:
 - 3.1.1 notification by the Supplier to Merlin in Writing of its acceptance of the Order; and
 - 3.1.2 the Supplier doing an act consistent with fulfilling the Order, at which point the Contract shall come into existence. Acceptance of an Order shall be deemed to incorporate these Conditions to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by the trade, custom, practice, or course of dealing, unless expressly agreed in Writing by Merlin.

4 QUALITY AND DEFECTS

- 4.1 The Supplier will at all times ensure that all Goods and/or Services and all packaging and labelling relating to Goods supplied shall:
 - 4.1.1 be of satisfactory quality;
 - 4.1.2 correspond with the Order and any relevant specification or sample including any specification set out by Merlin in the Order;
 - 4.1.3 be fit for all purposes for which they may reasonably be used and, in addition, for any purpose expressly specified by Merlin;
 - 4.1.4 comply with all relevant laws, governing specifications as to quantity, quality, standards or description which shall include (where applicable) as a minimum compliance with all relevant standards including, inter alia, the relevant regulations, statutes, codes of practice, best practice of the relevant trade or profession, British Standard, European Standard or International Standard applicable both to the country or state in which the Goods are manufactured and to the country or state where the Goods are to be used;
 - 4.1.5 be carried out by properly trained and qualified personnel using all reasonable skill, care and diligence and in a good and workmanlike manner;
 - 4.1.6 use the best quality goods, materials, standards and techniques, and ensure that any Deliverables, and all goods and materials supplied and used in the Supply of the Goods and/or Services or otherwise transferred to Merlin, will be free from defects in workmanship, installation and design;
 - 4.1.7 in the case of Goods containing foodstuffs, when delivered, comply with all relevant food and hygiene legislation; and
 - 4.1.8 comply with such additional quality and safety standards as Merlin may from time to time notify to the Supplier in Writing (and, in this respect, Merlin will use its reasonable endeavours to provide reasonable notice of any material additional quality and safety standards).
- 4.2 Without prejudice to Condition 4.1, in providing the Services, the Supplier shall:
 - 4.2.1 perform the Services with the reasonable care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;
 - 4.2.2 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Contract;

- 4.2.3 provide all equipment, tools and vehicles and such other items as are required to provide the Services; and
- 4.2.4 observe all health and safety rules and regulations and any other security requirements that apply at any of Merlin's premises or any third party sites to be accessed in the provision of the Services.
- 4.3 The Supplier shall co-operate with Merlin in all matters relating to the Goods and/or Services, and comply with all instructions of Merlin.
- 4.4 It is a fundamental term of the Contract that the Supplier will at all times ensure that all Goods and/or Services supplied and all packaging and labelling relating to such Goods are manufactured and/or designed and/or supplied in accordance with best industry standards by persons or bodies employing only adult workers working in conditions which are not injurious to health or safety and which comply with all legislation which is applicable to such manufacture, design or supply.
- 4.5 The Supplier shall provide such evidence (and shall provide such access to premises and other assistance) to Merlin and any person acting on Merlin's behalf as Merlin shall require to show that the Goods and/or Services are manufactured, designed and supplied in accordance with the Contract.
- 4.6 The Supplier shall be liable for any loss, damage, liability, costs or expenses incurred by Merlin in connection with a recall of any defective Goods. The parties shall agree whether or not and how the Goods in question should be recalled but in the absence of agreement the final decision rests with Merlin whose decision shall be final and binding on the Supplier.
- 4.7 Merlin reserves the right to reject any Goods which in Merlin's absolute opinion:
 - 4.7.1 are faulty or do not conform to the quality, quantity, standard or description as specified in the Order; or
 - 4.7.2 are not delivered by the Supplier on the Delivery Date; or
 - 4.7.3 do not comply with the Contract.
- 4.8 Where the Supplier supplies any replacement Goods in accordance with Condition 14.1.2, the provisions of the Contract shall apply to such replacement Goods.
- 4.9 Merlin shall not be deemed to have accepted any Goods and/or Services until Merlin has had a reasonable time to inspect them following delivery or completion of performance or, if later, within a reasonable time after any latent defect in the Goods and/or Services has become apparent.
- 4.10 In the case of any breach by the Supplier of any provision contained in this Condition 4, Merlin shall be entitled to avail itself of any one or more of the remedies in Condition 14.

5 COMPLIANCE WITH REGULATIONS

- 5.1 The Supplier warrants and represents that:
 - 5.1.1 it shall comply with all applicable regulations or other legal requirements including British Standards, European Standards and International Standards concerning the provision of the Goods and/or Services and concerning the design, manufacture, construction, quality, packaging, storage and Delivery of the Goods including the application of the "CE" mark to and other labelling requirements in connection with the Goods where applicable;
 - 5.1.2 it shall comply with all UK and relevant local environmental laws and shall ensure that all disposal and discharge of waste arising from the production and distribution of the Goods and materials associated with the Supply of Goods and/or Services to Merlin (including any Goods branded with the Intellectual Property of Merlin) are carried out without any adverse impact on the environment;
 - 5.1.3 the Goods shall be marked in accordance with Merlin's instructions (including, but not being limited to the attachment or inclusion of barcodes) and any applicable regulations or requirements of any carrier, and packed and secured so as to reach their destination in an undamaged condition and in compliance with the Contract.

6 INTELLECTUAL PROPERTY RIGHTS

- 6.1 The Supplier warrants and represents that:
 - 6.1.1 the resale or use of the Goods by Merlin and/or the Supply of the Services by the Supplier will not infringe the Intellectual Property Rights or other rights of any third party and that no third party has threatened or, so far as the Supplier is aware, is currently threatening proceedings in respect of such infringement;
 - 6.1.2 it will not use any Intellectual Property Rights of any member of the Merlin Group other than as expressly authorised in Writing by Merlin;
 - 6.1.3 in respect of the Goods or any part of them, the Supplier warrants that it has full clear and unencumbered title to all such items, and that at the date of Delivery of such items to Merlin, it will have full and unrestricted rights to sell and transfer all such items to Merlin;
 - 6.1.4 it shall obtain waivers of all moral rights in the Deliverables to which any individual is now or may be at any future time entitled under Chapter IV of Part 1 of the UK Copyright, Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction;
 - 6.1.5 it shall, promptly at Merlin's request, do (or procure to be done) all such further acts and things and the execution of all such other documents as Merlin may from time to time require for the purpose of securing for Merlin the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to Merlin in accordance with Condition 6.2; and
 - 6.1.6 it shall not do or omit to do anything which may cause Merlin to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that Merlin may rely on the Goods and/or Services or act on the Services.
- 6.2 Subject to Condition 6.4, the Supplier hereby assigns to Merlin with full title guarantee and free from all third party rights, all Intellectual Property Rights arising or which are obtained or developed by the Supplier (or by a contractor on behalf of the Supplier) in respect of the Goods and/or any Deliverables, and/or in the course of or in connection with the Services for the full extent and period thereof including all extensions, revivals and renewals thereof. The assignment in this Condition shall be absolute for all purposes, applications and fields of use, and, for the avoidance of doubt, shall not be limited to use as part of the Services. The Intellectual Property Rights developed by Merlin in connection with the Contract shall vest solely with Merlin.

- 6.3 All Merlin Materials are the exclusive property of Merlin.
- 6.4 All Intellectual Property Rights owned by the Supplier which are created or developed by the Supplier otherwise than in connection with, under or pursuant to the Contract shall remain the property of the Supplier. To the extent that the Goods, Deliverables or Services incorporate the Supplier's Intellectual Property Rights, the Supplier hereby grants to Merlin and Merlin Group companies a fully paid-up, worldwide, non-exclusive, royalty-free perpetual and irrevocable licence to use those Intellectual Property Rights and to sub-license such Intellectual Property Rights to Merlin's customers, services providers and contractors for the purpose of using, selling or otherwise dealing with the Goods and Deliverables and receiving the Services.

7 INDEMNITY AND LIMITATION ON LIABILITY

- 7.1 The Supplier will indemnify Merlin in full against all costs, expenses, damages and losses, including any interest, fines, reasonable legal and other professional fees and expenses awarded against or incurred or paid by Merlin as a result of or in connection with :
 - 7.1.1 any claim made against Merlin by a third party (including guests at Merlin attractions and employees, agents, subcontractors and suppliers of Merlin or the Supplier) for death or personal injury arising out of or in connection with the supply of the Goods or the provision of the Services to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of this agreement by the Supplier, its employees, agents, or subcontractors; and
 - 7.1.2 any claim made against Merlin by a third party that the Goods, the Deliverables, and/or Services and/or any other Intellectual Property Rights of the Supplier infringe, or their receipt, import, export, use, onward supply, or resale by Merlin infringes, the Intellectual Property Rights or other rights of any individual, firm, company or other third party.
- 7.2 Upon a third party threatening or bringing a claim in respect of which the Supplier has given an indemnity pursuant to this agreement:
 - 7.2.1 Merlin will use reasonable endeavours to notify the Supplier in writing as soon as reasonably practicable upon becoming aware of the claim (stating in reasonable detail the nature of the claim and, if practicable, the amount of the claim);
 - 7.2.2 Merlin may, at its sole option, either
 - (a) elect to retain control of the defence and settlement of the claim; or
 - (b) require the Supplier to assume control of the defence and settlement of the claim;
 - 7.2.3 Where Merlin elects to retain control of the defence and settlement of the claim pursuant to Condition 7.2.2(a):
 - (a) Merlin may defend and/or settle the claim in such manner as Merlin may deem appropriate, at the cost and expense of Supplier, including payment of any settlement, judgment or award and the costs of defending or settling the claim, and the Supplier will promptly reimburse Merlin upon demand for all losses suffered or incurred by Merlin as a result of or in connection with the claim; and
 - (b) The Supplier will give, at its own expense, all reasonable assistance requested by Merlin in connection with the defence and settlement of the claim;
 - 7.2.4 Where Merlin requires the supplier to assume control of the of the defence and settlement of the claim pursuant to Condition 7.2.2(b);
 - (a) the Supplier shall, at Merlin's option, assume control of the defence and settlement of the claim, and will, at its own expense, defend the claim and have control of the conduct of the defence and settlement of the claim, provided however that Merlin will have the right to approve the terms of any settlement (such approval not to be unreasonably withheld or delayed); and
 - (b) Merlin will give, at the Supplier's request and cost, all reasonable assistance in connection with the defence and settlement of the claim.
- 7.3 Nothing in these Conditions shall limit or exclude either party's liability for:
 - 7.3.1 death or personal injury caused by its negligence, or the negligence of its personnel, agents or sub-contractors;
 - 7.3.2 fraud or fraudulent misrepresentation; or
 - 7.3.3 breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession) or other liability which cannot be limited or excluded by applicable law.
- 7.4 Subject to Condition 7.3, neither party to this agreement shall have any liability to the other party, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any indirect or consequential loss arising under or in connection with these Conditions.
- 7.5 Subject to Condition 7.3, Merlin's maximum aggregate liability to the Supplier, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, arising under or in connection with these Conditions shall be limited to the amount of the total payments made by Merlin under these Conditions.
- 7.6 The rights of Merlin under this agreement are in addition to, and not exclusive of, any rights or remedies provided by the common law.
- 7.7 This Condition 7 shall survive termination of the Contract.

8 DELIVERY

- 8.1 The Supplier acknowledges that the time and date specified in the Order for performance of the Supplier's obligations under the Contract is of the essence.
- 8.2 Without prejudice to any other rights or remedies that Merlin may have for failure by the Supplier to Supply the Goods and/or Services in accordance with Condition 8.1, where a late delivery deduction or payment is stated in the Order, Merlin may at its option without prejudice to Condition 14, proceed with the Contract and/or the Order but deduct from the price payable for the Goods and/or Services by way of partial compensation for the Supplier's failure to comply with the Delivery Date such amount as may be stated in the Order as a late delivery deduction or payment.
- 8.3 Merlin only accepts responsibility for such quantities of Goods and/or level of Services as are specifically set out in the Order.
- 8.4 If Merlin terminates the Contract pursuant to a failure by the Supplier to Supply the Goods and/or Services in accordance with Condition 8.1 then Merlin shall pay to the Supplier only such sum as is due in respect of Goods and/or Services which have been delivered to and accepted by Merlin and shall not be liable for any work in progress at the time of the termination or for

any loss to the Supplier arising out of such termination.

- 8.5 The Supplier will adhere to the stipulations set out in the Delivery Requirements.
- 8.6 If Merlin signs any delivery note or other documentation presented for signature in connection with the delivery of the Goods, this is only evidence of the number of packages received. It is not evidence that the correct quantity or number of Goods has been delivered or that those delivered are undamaged and in accordance with the requirements of the Contract.

9 PRICE

- 9.1 The prices payable for Goods and/or Services ordered by Merlin shall be the prices listed in the Order or as otherwise agreed by the parties in writing.
- 9.2 If no price has been specified pursuant to Condition 9.1 then the Supplier shall notify Merlin of the price of the Goods and/or Services specified in the Order. A contract will come into force only when Merlin has confirmed in Writing its agreement to the price stated pursuant to this Condition 9.2.
- 9.3 No variation in price will be accepted unless agreed by Merlin in Writing.
- 9.4 Where Goods and/or Services are subject to value added tax the amount legally demandable is to be rendered as a separate item of account.
- 9.5 Unless otherwise stated, the price of the Goods and/or Services shall be inclusive of all charges for packaging, packing, shipping, carriage, insurance and Delivery and any duties, impost or levies other than value added tax.
- 9.6 Merlin reserves the right to withhold, deduct or set-off from any moneys due or becoming due to the Supplier any moneys due or claimed by Merlin (or any member of the Merlin Group) to be due from the Supplier to Merlin (or any member of the Merlin Group) whether in respect of the Goods and/or Services supplied pursuant to the Order or otherwise.

10 PAYMENT

- 10.1 Unless otherwise agreed in Writing by Merlin, the Supplier may issue its invoice from the date of Delivery and payment shall be made in pounds sterling within 45 days after the receipt by Merlin of the Supplier's invoice.
- 10.2 Invoices must be addressed to the person and address stated in the Order or as otherwise notified by Merlin from time to time and must quote the Supplier's advice number and the Attraction's Order number. Failure by the Supplier to comply with this Condition 10.2 shall result in rejection of the Supplier's invoice.
- 10.3 One invoice shall be rendered for each Order save where Goods or Services are delivered on more than one Delivery Date when an invoice shall be rendered for each Delivery.
- 10.4 Without prejudice to Merlin's rights in relation to defective, rejected or returned Goods and/or Services herein:
- 10.4.1 any query or dispute with regard to the amount paid in relation to an invoice which has not been resolved to the satisfaction of the Supplier must be notified in Writing by the Supplier to the purchase ledger department of the Attraction within 90 days of the date of the invoice in respect of which the dispute relates in default of which the Supplier will be deemed to have irrevocably accepted the amount of such payment by Merlin as full and final settlement of such invoice; and
- 10.4.2 any query or dispute with regard to any deduction made by Merlin by way of set-off or otherwise which has not been resolved to the satisfaction of the Supplier must be notified in Writing by the Supplier to the Purchase Ledger Department of the Attraction within 90 days of the date of the invoice in respect of which the dispute relates in default of which the Supplier will be deemed to have irrevocably accepted the amount of such payment, set-off or deduction by Merlin.

11 INSPECTION AND REVIEWS

- 11.1 Merlin shall be allowed to inspect and test the Goods and/or Services and any material to be used in the manufacture of the Goods during any stage of manufacture and/or in the Supply of the Services if Merlin so requires. If, as a result of inspection or testing, Merlin is not satisfied that the Goods and/or Services will comply in all respects with the Order and Merlin so informs the Supplier within 7 days of inspection or testing, the Supplier shall take such steps as are necessary to ensure compliance.
- 11.2 Such inspection described in Condition 11.1 shall not absolve the Supplier from responsibility or liability nor imply acceptance of the Goods and/or Services by Merlin.
- 11.3 The Supplier shall meet authorised representatives of Merlin at such times and at such places as Merlin may require on not less than 3 working days' notice to the Supplier to:
- 11.3.1 review trading performance;
- 11.3.2 discuss possibilities for improving sales of the Goods and/or provision of the Services; and
- 11.3.3 supply such information to Merlin as Merlin shall reasonably require.

12 RISK AND PROPERTY

- 12.1 Risk of damage to or loss of the Goods shall pass to Merlin upon Delivery. Loss of, or damage to, the Goods prior to Delivery is at the risk of the Supplier.
- 12.2 The title to and property in the Goods shall pass to Merlin upon the earlier of payment or Delivery.
- 12.3 If payment for the Goods is made prior to Delivery, the Supplier undertakes that:
- 12.3.1 it is in possession of the Goods as bailee for Merlin until such time as they are delivered to the Attraction under the terms of the Contract;
- 12.3.2 it will store the Goods separately from its own goods and/or all other goods of any third party and in such a manner which makes them readily identifiable as Merlin's Goods;
- 12.3.3 it will maintain the Goods in satisfactory condition insured on Merlin's behalf for their full price against all risks to the reasonable satisfaction of Merlin and the policy or policies of insurance referred to in this Condition 12.3.3 shall be shown to Merlin on request together with satisfactory evidence of payment of the premium or premiums;
- 12.3.4 it grants Merlin, its agents and employees an irrevocable licence at any time to enter any premises where the Goods are or may be (or may have been) designed, manufactured or stored in order to inspect them or to recover them; and
- 12.3.5 the entire proceeds of such Goods or the insurance policy referred to in Condition

12.3.3 shall be held on trust for Merlin and shall not be mixed with any other money nor paid into any overdrawn bank account and shall at all times be identifiable as Merlin's money.

- 12.4 The Supplier shall hold all Merlin Materials in safe custody at its own risk, maintain the Merlin Materials in good condition until returned to Merlin, and not dispose or use the Merlin Materials other than in accordance with Merlin's written instructions or authorisation.

13 SALE OR RETURN

- 13.1 Where it has been agreed by the parties in Writing that the Goods are to be supplied on a "sale or return" basis, Merlin shall be entitled in its absolute discretion to return any unopened Goods to the Supplier at the Supplier's risk and expense:
- 13.1.1 within 21 days of the last day on which the Attraction is open to the public in any 1 year; or
- 13.1.2 at a date to be agreed between the parties in Writing; or
- 13.1.3 notwithstanding Condition 13.1.1, by 31st December of the calendar year in which the Goods were supplied (in any year) provided that if those Goods are perishable Goods, they are within the "use by" or "best before" date as indicated on the packaging.
- 13.2 If payment for the Goods has already been made, the Supplier shall refund the total amount paid in respect of the returned Goods within 28 days of Merlin returning the Goods to the Supplier.
- 13.3 Without prejudice to any other provision of these Conditions, the Supplier undertakes to Merlin that if any Goods obtained, supplied, or procured by the Supplier are either:
- 13.3.1 returned by a customer of Merlin; or
- 13.3.2 rejected by Merlin in accordance with these Conditions;
- and returned by Merlin to the Supplier, then the Supplier further undertakes not to convey title in any such Goods to a third party without having previously removed all marks associated with Merlin and/or the Attraction and provided Merlin with a full refund.

14 BREACH AND REMEDIES

- 14.1 Without prejudice to any other right or remedy which Merlin may have, if any Goods and/or Services are not supplied in accordance with, or the Supplier fails to comply with, any of the terms of the Contract, Merlin shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods and/or Services have been accepted by Merlin:
- 14.1.1 in the case of a failure by the Supplier to Supply the Goods and/or Services in accordance with Condition 8.1 to forthwith terminate the Contract or any part of it by giving written notice to the Supplier at any time from the Delivery Date until Delivery of the Goods and/or provision of the Services;
- 14.1.2 to reject the Goods and/or Services (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier;
- 14.1.3 at Merlin's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods and/or Services or to Supply replacement Goods and/or Services and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
- 14.1.4 to refuse to accept any further provision of the Goods and/or Services but without any liability to the Supplier;
- 14.1.5 if Supplier refuses to carry out 14.1.3, to carry out at the Supplier's expense any work necessary to make the Goods and/or Services comply with the Order;
- 14.1.6 to receive a full refund for any Goods and/or Services returned to the Supplier, such refund to be paid forthwith by the Supplier; and
- 14.1.7 to claim such damages as may have been sustained in consequence of the Supplier's breach or breaches of the Contract.

15 TERMINATION

- 15.1 Merlin may terminate the Contract at its option in whole or in part without cause on giving the Supplier seven days' written notice. In this event, Merlin will pay the Supplier any costs necessary and reasonably incurred by the Supplier in the performance of the Contract up until the time of termination which it cannot recover by other means, such as re-using or re-selling parts of the Goods or Deliverables, provided that the Supplier can demonstrate that it has used all reasonable endeavours to minimise these costs. Merlin shall have no further liability to the Supplier and, without limitation of the foregoing, Merlin will not be liable to the Supplier for any indirect, special or consequential loss, or any loss of revenue or loss of profits, as a result of such termination.
- 15.2 Merlin shall have the right at any time by giving notice in Writing to the Supplier to terminate the contract forthwith if:
- 15.2.1 the Supplier commits a material or repeated breach of any of the Contract which is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 3 working days after being notified to do so;
- 15.2.2 any distress, execution or other process is levied upon any of the assets of the Supplier;
- 15.2.3 the Supplier (being an individual) has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed over its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Supplier or notice of intention to appoint an administrator is given by the Supplier or its directors or by a qualifying floating charge holder, or a resolution is passed or a petition presented to any court for winding up of the Supplier or for the granting of an administration order in respect of the Supplier or any proceedings are commenced relating to the insolvency or possible insolvency of the Supplier;
- 15.2.4 the Supplier ceases or threatens to cease or Merlin has reason to believe that the Supplier shall cease to carry on its business;
- 15.2.5 the financial position of the Supplier deteriorates to such an extent that in the opinion

of Merlin the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy and the Supplier shall notify Merlin immediately of any such financial deterioration that may affect the Supplier's performance under the Contract; or

15.2.6 the Supplier does or causes anything to be done which, in Merlin's absolute opinion, brings or may bring the reputation of Merlin or any member of the Merlin Group or Attractions into disrepute.

15.3 If Merlin terminates the Contract pursuant to Conditions 14.1.1 or 15.2 then Merlin shall pay to the Supplier only such sum as is due in respect of the Goods and/or Services which have been supplied to and accepted by Merlin and shall not be liable for any work in progress at the time of the termination or for any loss to the Supplier including any indirect, special or consequential loss, or any loss of revenue or loss of profits, as a result of such termination.

15.4 The termination of the Contract, however arising, will be without prejudice to the rights and duties of Merlin and the Supplier accrued prior to termination. The Conditions which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination.

15.5 On termination of the Contract for any reason, the Supplier shall immediately deliver to Merlin all Deliverables whether or not then complete, and return all Merlin Materials. If the Supplier fails to do so, then Merlin may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purposes not connected with the Contract.

16 DATA PROTECTION

16.1 For the purpose of this Condition, the words "Controller", "Data Subject", "Member State", "Personal Data", "Process", "Processor", "Processing", "Personal Data Breach", and "Supervisory Authority" shall have the meanings assigned in the "Data Protection Laws";

16.2 To the extent that the Supplier processes Personal Data, on behalf of Merlin as a Processor, the Supplier shall:

16.2.1 comply at all times with the Data Protection Laws;

16.2.2 process the Personal Data solely on the documented instructions of Merlin, including with regard to transfers of Personal Data to a third country outside the European Union or an international organisation (unless required by European Union or Member State law to which the Supplier is subject, in which case the Supplier shall inform Merlin of that legal requirement before such Processing, unless that law prohibits such information on important grounds of public interest);

16.2.3 ensure that persons authorised to process the Personal Data have committed themselves to contractual obligations of confidentiality or are under an appropriate statutory obligation of confidentiality and have undergone sufficient training in relation to data protection. Such confidentiality undertakings and obligations must be in written form and capable of being audited by Merlin;

16.2.4 implement, maintain and take all measures required pursuant to Article 32 of the GDPR, at its own cost, to ensure the security of Processing of the Personal Data and to protect against unauthorised or unlawful processing, use of, access to, or theft of any Personal Data to which it has access and against loss or destruction of or damage to, the Personal Data, in each case appropriate to the harm that might result from the same;

16.2.5 not transfer or disclose the Personal Data to any third party, or appoint any sub-processor, without the prior written consent of Merlin; which consent shall be conditional on the Supplier complying with Articles 28(2) and 28(4) of the GDPR and on the Supplier putting in place a written contract which contains the same obligations as set out herein;

16.2.6 promptly (and in any event within 3 calendar days) notify Merlin of any request or communication from a Data Subject regarding the Processing of such Personal Data, or any other communication (including from a Supervisory Authority) relating to Merlin's obligations under the Data Protection Laws in respect of the Personal Data and, taking into account the nature of the Processing, assist Merlin by implementing and maintaining appropriate technical and organizational measures, insofar as this is possible, for the fulfilment of Merlin's obligation to respond to requests for exercising the Data Subject's rights laid down in Chapter III of the GDPR;

16.2.7 notify Merlin without undue delay of any actual or suspected Personal Data Breach, and in any event provide such notice within 36 hours of the Supplier becoming aware of or reasonably suspecting such a Personal Data Breach, such notice to include all information reasonably required by Merlin to comply with its obligations under the Data Protection Laws, and the Supplier shall take all reasonably commercial steps to investigate, mitigate, remediate such Personal Data Breach and prevent it reoccurring;

16.2.8 assist Merlin, at its own cost, with the obligations pursuant to Articles 32 to 36 of the GDPR taking into account the nature of the Processing and information available to the Supplier;

16.2.9 cease Processing the Personal Data within 30 days following the termination or expiry of this agreement, or earlier at the written request of Merlin at any time and at Merlin's option, either return, or delete (such that the Personal Data is irretrievable) all copies, including any back-ups, of the Personal Data Processed by the Supplier unless (and solely to the extent and for such period as) European Union or Member State law requires storage of the Personal Data upon which the Supplier shall become the Data Controller for that Personal Data;

16.2.10 without prejudice to 1.3.8 assist Merlin within such reasonable timescale as may be specified by Merlin with the conduct of data protection impact assessments or with any prior consultations requested or required by any Supervisory Authority in relation to Personal Data processed under this Agreement; and

16.2.11 in addition to any audit rights granted pursuant to this Agreement, make available to Merlin on request all information necessary to demonstrate compliance with this agreement and with Article 28 of the GDPR and shall allow for and contribute to audits, including inspections, by Merlin or an auditor mandated by Merlin. In particular, the Supplier shall notify Merlin if in its reasonable opinion, Merlin has given an instruction which infringes the GDPR or any other data protection provisions.

16.3 The Supplier shall not transfer or process Personal Data outside the EU, either through direct transfer or remotely (e.g. via outsourcing, as part of business continuity arrangements, cloud arrangements, offshore models etc.) without the prior written consent of Merlin which consent

shall be conditional on the Supplier complying with Articles 45 to 49 (inclusive) of the GDPR and with any instructions issued by Merlin. Where required by Merlin, Supplier shall procure that the relevant data importer enters into an appropriate data transfer agreement directly with Merlin.

16.4 For the purpose of the detail required in Article 28(3) of the GDPR, so far as the Supplier processes Personal Data on behalf of Merlin as a Processor, the subject matter and the purpose of Processing under the Contract is the provision of the Goods and Services as set out in the Contract and such Processing may take place throughout the period during which such Goods or Services are provided. The nature of the Processing shall be those Processing operations that are necessary to enable the Supplier to provide the Goods or Services, which may be more particularly described in the Contract. This Processing may include, without limitation, names, contact details and identity information. The obligations and rights of Merlin, as Controller, are as set out in this Condition and elsewhere in the Contract. Merlin may make such reasonable amendments as are required to ensure compliance with Article 28(3) by notifying the Supplier in writing from time to time.

17 MERLIN ETHICAL DEALING PRINCIPLES

17.1 The Supplier undertakes to comply with Merlin's Ethical Dealing Principles. Compliance with this Condition is of the essence of the Contract.

17.2 The Supplier agrees to notify Merlin as soon as it becomes aware of any breach or potential breach of any provision of Merlin's Ethical Dealing Principles.

17.3 The Supplier consents to Merlin (or any person authorised by Merlin) to conduct any investigation or audit which Merlin, acting reasonably, considers to be necessary or desirable in order to ensure compliance by the Supplier with Merlin's Ethical Dealing Principles, including, without limitation, access to the premises of the Supplier. The Supplier will provide such assistance to Merlin in connection with such investigation or audit as Merlin may reasonably request.

17.4 If Merlin reasonably considers that the provisions of Condition 17.3 above require access to the premises of the Supplier, Merlin will use reasonable endeavours to provide reasonable notice to the Supplier unless to do so would, in Merlin's reasonable opinion, be likely to materially adversely affect the effectiveness of such access.

18 PRESS AND PUBLIC ANNOUNCEMENTS

18.1 The Supplier acknowledges that in order to protect its reputation and goodwill, it is of critical importance for Merlin to manage any press or public announcements relating to Merlin's business and/or operations. Accordingly, the Supplier agrees that:

18.1.1 it will notify the General Manager of the Merlin Attraction with which such Supplier is principally dealing (or, if such person is not available, the most senior Merlin contact that the Supplier is reasonably able to contact) ("Merlin Contact") immediately in the event of:

(a) any incident which involves or might have involved a risk to the health and safety of any person in any way connected with any member of the Merlin Group, its customers, staff or assets; and/or

(b) any incident which could reasonably be expected to have a negative impact on the reputation or goodwill of any member of the Merlin Group or of any of its attractions;

18.1.2 it will make no statement or comment to the press, public or any other person (other than to the Merlin Contact) in connection with any incident or potential incident of a type described above and will refer all requests for such statement or comment to the Merlin Contact; and

18.1.3 it will promptly provide all support and assistance reasonably requested by Merlin in connection with any such incident or potential incident.

18.2 Nothing in this Condition 18 shall prevent the Supplier from making any announcement required by law or where required by a government or regulatory authority or by a court of competent jurisdiction to which it is subject. To the extent permitted by law in such circumstances, the Supplier shall notify Merlin as soon as reasonably practicable and consult with Merlin as to the format and content of the announcement to be made.

19 CONFIDENTIALITY

19.1 Other than information which is in the public domain otherwise than as a result of a breach hereof, the Supplier shall at all times keep confidential (and shall procure that its employees, agents and sub-contractors shall keep confidential) all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to or acquired by the Supplier, its employees, agents or subcontractors, and any other confidential information concerning Merlin's business affairs, its products and services which the receiving party may obtain. The Supplier shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging its obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this Condition 19.1 as though they were a party to the Contract. The Supplier may also disclose such of Merlin's confidential information as is required to be disclosed by law, any government or regulatory authority or by a court of competent jurisdiction or as expressly agreed in Writing by Merlin.

19.2 The parties agree that damages may not be an adequate remedy for any breach or threatened breach of this Condition 19 and that Merlin shall be entitled to apply for a court order to enforce compliance with this Condition or to stop any breach of it, actual or threatened.

19.3 This Condition 19 shall survive termination of the Contract.

20 INSURANCE

20.1 The Supplier shall have in force and shall require any sub-contractor to have in force for so long as the Supplier supplies Goods and/or Services to Merlin and for a period of 6 years thereafter:

20.1.1 employer's liability insurance in accordance with any legal requirements for the time being in force;

20.1.2 public liability insurance, professional indemnity insurance and product liability insurance covering as a minimum all matters which are the subject of the Contract in the sum of not less than £5,000,000 (five million pounds sterling) for any one incident (with not less than £5,000,000 of such insurance cover being available in respect of the Order as at the date the Order is accepted and throughout the period for which

such insurance is required to be held hereunder); and

20.1.3 where the Supplier is transporting Goods subject to the Contract, appropriate transport insurance in an amount equal to, or greater than, the replacement value of the Goods.

20.2 The policy or policies of insurance referred to in this Condition 20 shall be purchased from a reputable insurer satisfactory to Merlin, shall be on an occurrence basis and shall be shown to Merlin on request together with satisfactory evidence of payment of the premium or premiums.

21 PAYMENT CARD INDUSTRY DATA SECURITY STANDARD

21.1 To the extent that the Payment Card Industry Data Security Standard ("PCI DSS") is applicable to the Goods and/or Services to be provided under the Contract, the following provisions shall apply.

21.2 Merlin requires that all its suppliers be, and remain, certified under the PCI DSS if required to be so. By entering into the Contract, the Supplier acknowledges and confirms that it understands its PCI DSS responsibilities, is compliant with the current version of the PCI DSS and will use its best endeavours to remain compliant throughout the term of the Contract. Compliance with this Condition 21 is material to the Contract.

21.3 The Supplier warrants and represents that it (and its agents, sub-contractors, connected or associated persons or any person with whom it contracts in connection with the supply of any goods and services) is not involved in, will not become involved in and will ensure that each of its staff, agents, sub-contractors, consultants, connected or associated persons will not engage in or in any way support or facilitate any act, omission or other behaviour which could be considered to constitute payment card fraud, payment card data misuse, identity theft or any other criminal offence or legislation in any jurisdiction relating to payment card fraud or identity theft.

21.4 The Supplier hereby acknowledges and accepts that Merlin has a continuing obligation under the PCI DSS to periodically demonstrate its compliance with the PCI DSS, which will require an assessment of all the system components used to process, store or transmit relevant data and any other component that resides on the same network segment, some of which are the responsibility of the Supplier under the Contract. Accordingly, it is further agreed:

21.4.1 that the Supplier will create and maintain detailed, complete and accurate documentation describing the systems, processes, network segments, security controls and dataflow used to receive, transmit, store and secure the relevant data, in accordance with the PCI DSS; and

21.4.2 that Merlin has the right to:

- (a) request the Supplier to provide a current attestation of compliance from a Payment Card Industry Qualified Security Assessor ("QSA"); or
- (b) if the Supplier cannot comply with (i) above, allow Merlin's QSA to assess all the system components mentioned above that are hosted or managed by the Supplier, as well as the related processes and documentation, in order to satisfy itself of the Supplier's continuing compliance with the PCI DSS. For the avoidance of doubt, each party shall bear its own costs in relation to compliance with this Condition.

21.5 In the event that there is any reasonable risk that the above representations have been, are, or may become, untrue at any time, the Supplier will promptly notify Merlin thereof and take such steps as Merlin may reasonably require in order to rectify or deal with the situation.

21.6 The Supplier will indemnify Merlin in respect of fines, reasonable and proper legal and consultancy costs and other reasonably foreseeable losses that Merlin may incur as a result of a breach by the Supplier of the PCI DSS and/or this Condition 21.

22 FORCE MAJEURE

If Merlin is prevented from performing any obligation hereunder (or if such performance shall be rendered materially more costly or onerous) by any reason beyond its reasonable control ("Force Majeure") then such obligation shall be suspended until such Force Majeure shall have ceased.

23 NOTICES

Any notice required or permitted to be given by either party to the other under the Contract shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this Condition to the party giving the notice.

24 NO VARIATION

The Contract shall not be varied or terminated orally. None of the terms therein shall be deemed to be modified except by an express agreement in Writing signed by the parties.

25 REPRESENTATIONS

The Supplier accepts and acknowledges that, in entering into the Contract, Merlin has relied on information and representations made by the Supplier, including information or specifications provided by or on behalf of the Supplier in connection with the provision of the Goods and/or Services prior to the date of the Order whether in proposals, responses to any Invitation to Tender, details provided in any Contractor Selection and Approval document or otherwise, and the Supplier warrants and represents that all such information is true, accurate and complete in all respects.

26 THIRD PARTY RIGHTS

26.1 The Supplier agrees that all rights granted or provided to Merlin under the Contract are also granted or provided to all other members of the Merlin Group and the owners of any attractions which are operated and/or managed by Merlin but not owned by Merlin, and that the Supplier owes the same duties and obligations to the other members of the Merlin Group and the owners of any attractions which are operated and/or managed by Merlin as it owes to Merlin.

26.2 In the event of any negligence or breach of the Contract by the Supplier which results in any loss, damage, costs or expense being suffered by a member of the Merlin Group or the owner of any attraction which is operated and/or managed by Merlin but not owned by Merlin ("Loss"),

26.2.1 that Loss will be treated as if it had been suffered by Merlin;

26.2.2 Merlin will be able to recover any Loss from the Supplier subject to any limits on the Supplier's liability contained in the Contract; and

26.2.3 any Loss suffered by members of the Merlin Group (other than Merlin) or and the owner of any attraction which is operated and/or managed by Merlin but not owned by Merlin will not be treated as being indirect or consequential loss simply because it has been suffered by members of the Merlin Group or the owner of any attractions which is operated and/or managed by Merlin and not by Merlin directly.

26.3 In addition to Merlin, the terms of this agreement may be enforced in accordance with the Contracts (Rights of Third Parties) Act 1999 ("Act") by all of the following:

26.3.1 any member of Merlin Group;

26.3.2 the owner of any attraction which is operated and/or managed by Merlin but not owned by Merlin; and

26.3.3 any successor in title to all or any part of the business presently carried on by Merlin.

26.4 Subject to Condition 26.3, no other person or body who is not a party to the Contract shall have the right to enforce any of its terms by virtue of that Act.

27 ASSIGNMENT

27.1 The Supplier shall not assign, license, transfer, sub-let or otherwise sub-contract its rights and/or obligations under the Contract or any part thereof (including, without limitation, any part of any Order), without the prior written agreement of Merlin. Where Merlin consents to sub-contracting, the Supplier shall remain responsible for performance of the Contract as if it had not sub-contracted and shall be responsible for the acts and omissions of its sub-contractors and impose terms equivalent to the Contract on its sub-contractors. Notwithstanding the generality of the foregoing, the Supplier shall ensure that all sub-contractors assign to the Supplier with full title guarantee and free from all third party rights the rights to all Intellectual Property arising or which is obtained or developed in respect of the Deliverables in order for the Supplier to comply fully with Condition 6.2.

27.2 Merlin may assign, license, transfer, sub-let, novate or otherwise sub-contract its rights and/or obligations under the Contract or any part thereof (including, without limitation any part of any Order) to any person without having to notify or seek consent from the Supplier, and the Supplier will, upon written request by Merlin, enter into such further documentation as may reasonably be required to give effect to such assignment, licence, sub-let, sub-contract, novation or other transfer.

28 WAIVER

28.1 Merlin may at any time by notice in Writing to the Supplier waive, either wholly or in part and to the extent to which it confers rights upon Merlin, any provision in the Contract.

28.2 No waiver by Merlin of any breach of any provision in the Contract by the Supplier shall be considered as a waiver of any subsequent breach of the same or any other provision and Merlin shall not be prejudiced by any forbearance or indulgence granted by it to the Supplier.

29 SEVERABILITY

If any provision of the Contract would to any extent be void, unenforceable or otherwise illegal in whole or in part under the relevant applicable law such provision shall be deemed to be deleted to that extent. The validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected thereby.

30 ENTIRE AGREEMENT

30.1 The Contract constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of the Contract.

30.2 The Supplier acknowledges that in entering into the Contract, and the documents referred to in it, it does not rely on, and (subject to Condition 7.3.2) shall have no remedy in respect of, any agreement, warranty, statement, representation, understanding or undertaking (whether negligently or innocently made) of any Merlin representative (whether party to the Contract or not) other than as expressly set out in the Contract.

30.3 Subject to Condition 7.3.2, the Supplier shall not be entitled to the remedies of rescission or damages for misrepresentation arising out of, or in connection with, any agreement, warranty, statement, representation, understanding or undertaking whether or not it is set out in this Agreement.

31 AGENCY ARRANGEMENTS

31.1 Merlin Attractions Operations Limited operates the following Attractions through the following agents:

Attraction	Agent
The London Eye	London Eye Management Services Limited
Alton Towers Resort	Alton Towers Resort Operations Limited
Thorpe Park	Thorpe Park Operations Limited
Chessington World of Adventures	Chessington World of Adventures Operations Limited
LEGOLAND Windsor	LEGOLAND Windsor Park Limited
Blackpool Tower Eye	Merlin Entertainments (Blackpool) Limited
Blackpool Complex	Merlin Entertainments (Blackpool) Limited
Blackpool Tower Dungeon	Merlin Entertainments (Blackpool) Limited
Madame Tussauds Blackpool	Merlin Entertainments (Blackpool) Limited

31.2 Merlin Entertainments (SEA LIFE) Limited operates the following Attractions through the following Agents:

Attraction	Agent
SEA LIFE London Aquarium	London Aquarium (South Bank) Limited
SEA LIFE Blackpool	SEA LIFE Centre (Blackpool) Limited

32 NO PARTNERSHIP

32.1 Nothing contained in the Contract shall be construed or have effect as constituting any relationship of employer and employee between Merlin and the Supplier or anyone employed or engaged by the Supplier in relation to the provision of the Goods and/or Services.

32.2 Nothing in the Contract shall constitute the Supplier or anyone employed or engaged by the Supplier in relation to the provision of the Goods and/or Services acting as an agent of Merlin.

The Supplier and/or anyone employed or engaged by the Supplier in relation to the provision of the Goods and/or Services shall not have any right or power whatsoever to contract on behalf of Merlin or bind Merlin in any way in relation to third parties unless specifically authorised to do so by Merlin and shall not hold themselves out as having any such authority.

32.3 Nothing contained in the Contract shall constitute a partnership or joint venture between Merlin and the Supplier or anyone employed or engaged by the Supplier in relation to the provisions of the Goods and/or Services.

32.4 The Supplier shall be fully responsible for and shall indemnify Merlin in relation to:

32.4.1 any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the provision of the Goods and/or Services either by the Supplier or anyone employed or engaged by the Supplier in relation to the provision of the Goods and/or Services, where such recovery is not prohibited by law. The Supplier shall further indemnify Merlin against all reasonable costs, expenses and any penalty, fine or interest accrued or payable by Merlin in connection with or in consequence of any such liability, deduction, contribution, assessment or claim other than where the latter arise out of our negligence or wilful default;

32.4.2 any liability arising from any employment-related claim or any claim based on worker status (including reasonable costs and expenses) brought by the Supplier or anyone employed or engaged by the Supplier in relation to the provision of the Goods and/or Services against Merlin arising out of or in connection with the provision of the Goods and/or Services.

32.5 The Supplier agrees that Merlin may satisfy such indemnity (in whole or in part) by way of deduction from any payments due to the Supplier under the Contract.

33 EMPLOYMENT

If the employment of any individual is transferred from the Supplier (or any sub-contractor of the Supplier) to Merlin or to another member of the Merlin Group or to any New Supplier by virtue of TUPE or any person asserts that his employment has so transferred, then Merlin or such member of the Merlin Group or such New Supplier may terminate the employment of any such person within six weeks of becoming aware of such transfer or alleged transfer.

Whether or not Merlin or such member of the Merlin Group or such New Supplier terminates any contract or employment in such circumstances, the Supplier will indemnify Merlin and each such member of the Merlin Group and each New Supplier against (or, at the option of Merlin, indemnify Merlin on its own behalf and/or on behalf of any such member of the Merlin Group and/or any such New Supplier), and as a separate obligation undertakes to pay to Merlin the amount of, all losses, fines, penalties, awards, liabilities, costs, damages and expenses (including reasonable legal expenses on an indemnity basis) which Merlin and/or any such member of the Merlin Group and/or any such New Supplier may suffer or incur and which arise in connection with, or relate to the employment of such a person and/or the termination of their contract of employment.

34 DISPUTES

34.1 Subject to Condition 10.4 in relation to any disputes related to invoices, if a dispute arises out of or in connection with the Contract or the performance, validity or enforceability of it ("Dispute") then the parties shall follow the procedure set out in this Condition:

34.1.1 either party shall give to the other written notice of the Dispute, setting out its nature and full particulars ("Dispute Notice"), together with relevant supporting documents. On service of the Dispute Notice the parties shall attempt in good faith to resolve the Dispute; and

34.1.2 if the parties are for any reason unable to resolve the Dispute within 30 days of it being referred to them, the parties may attempt to settle it by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator shall be nominated by CEDR. To initiate the mediation, a party must serve notice in writing ("ADR notice") to the other party to the Dispute, requesting a mediation. A copy of the ADR notice should be sent to CEDR. The mediation will start not later than 28 days after the date of the ADR notice.

34.2 The commencement of mediation shall not prevent the parties commencing or continuing court proceedings in relation to the Dispute under Condition 35 which Condition shall apply at all times.

34.3 If the Dispute is not resolved within 14 days after service of the ADR notice, or either party fails to participate or to continue to participate in the mediation before the expiration of the said period of 14 days, or the mediation terminates before the expiration of the said period of 14 days, the Dispute shall be finally resolved by the courts of England and Wales in accordance with Condition 35.

35 LAW

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

35.2 Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.

APPENDIX – MERLIN'S ETHICAL DEALING PRINCIPLES

The following additional definitions shall apply to this Appendix:

Inappropriate Person any person or entity:

(a) currently engaged in:

- (i) the manufacture and sale of armaments and/or pornographic material from where one third or more of its revenue is derived; or
- (ii) the exploitation of child labour; or
- (iii) the use of forced labour; or
- (iv) violations of human rights; or
- (v) involved in breaches of the international conventions listed in paragraph 1.1.1 of this Schedule 5; or
- (vi) violation of animal welfare rights or laws; or
- (vii) breach of any environmental laws

and which, in the case of (vi) and (vii), are, in Merlin's reasonable opinion, materially adverse

to the reputation of any member of the Merlin Group; or

- (b) which Merlin, acting reasonably, notifies to the Supplier in Writing that it considers might bring any member of the Merlin Group into disrepute or would be inconsistent with the values and principles of any member of the Merlin Group; or
- (c) whose association with Merlin may, in the reasonable opinion of Merlin, in any way, depreciate, tarnish, jeopardise or otherwise prejudice the goodwill and reputation associated with any member of the Merlin Group or otherwise adversely affect the reputation and image of any member of the Merlin Group or bring them into disrepute or disregard anywhere in the world; and

Merlin's Ethical Dealing Principles the Ethical Dealing Principles of the Merlin Group as set out in this Appendix.

Ethical Dealing Principles

1.1 Without prejudice to any of the other terms of the Contract, it is a fundamental term of any contract or relationship between Merlin and the Supplier that the Supplier at all times complies with Merlin's Ethical Dealing Principles (which, by entering into such contract or relationship, the Supplier undertakes to do) as set out below:

1.1.1 the supply of all Goods or Services to any member of the Merlin Group has been and will be undertaken in compliance with the following:

- (a) fundamental international conventions;
 - i. Forced labour (C29) (this can be viewed at <http://www.unhcr.org/refworld/docid/3ddb6212a.html>);
 - ii. Freedom of Association and Protection of the Right to Organise (C87)
 - iii. Right to Organise and Collective Bargaining (C98);
 - iv. Equal Remuneration (C100);
 - v. Abolition of Forced Labour (C105);
 - vi. Discrimination (Employment and Occupation) (C111);
 - vii. Minimum Age (C138);
 - viii. Worst Forms of Child Labour (C182);
- (b) the following European treaties:
 - i. The European Convention on Human Rights and Fundamental Freedoms (CETS 005) (this can be viewed at <http://conventions.coe.int/Treaty/en/Treaties/Word/005.doc>);
 - ii. Against Trafficking in Human Beings (CETS 197); and
 - iii. the European Money Laundering Convention (this can be viewed at <http://conventions.coe.int/Treaty/EN/Treaties/Word/198.doc>), Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS 198),

each as amended by protocol from time to time;

- (c) the following codes of conduct and policies:
 - i. Retail Merchandise Code of Conduct; and
 - ii. the Merlin Human Rights Policy as may be amended by Merlin from time to time.

The conventions referred to in paragraphs (a)(i) to (viii) are adopted by the International Labour Organisation and can be viewed at <http://ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12000:0::NO>. The treaties referred to in paragraphs (i) to (k) are adopted by the Council of Europe and can be viewed at <http://www.coe.int/en/web/conventions/full-list>.

1.1.2 none of the Supplier, its agents, sub-contractors, connected or associated persons or any person with whom the Supplier contracts in connection with the supply of such Goods and Services is an Inappropriate Person.

1.2 The Supplier will take such steps as are necessary to ascertain that third parties involved in the supply of such Goods or Services comply with Merlin's Ethical Dealing Principles and shall forthwith notify Merlin in Writing in the event that it becomes aware that this is not the case.

1.3 The Supplier represents that neither it nor its agents, sub-contractors, connected or associated persons or any person with whom the Supplier contracts in connection with the supply of any Goods and Services is involved in, nor will it become involved in and will ensure that each of its staff, agents, sub-contractors, consultants, connected or associated persons will not engage in or in any way support or facilitate any act, omission or other behaviour which could be considered to constitute bribery or other criminal offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977 (as amended) or any other legislation in any jurisdiction relating to bribery, corruption or fraud. In the event that there is any reasonable risk that this representation has, is or may become untrue at any time the Supplier will promptly notify Merlin thereof and take such steps as Merlin may reasonably require in order to rectify or deal with the situation.

1.4 The Supplier represents and warrants that it complies with the UK Modern Slavery Act 2015 (as amended) or any other legislation in any jurisdiction relating to the elimination of slavery and human trafficking and that neither it nor its officers, agents, subcontractors, connected or associated persons or any person with whom the Supplier contracts in connection with the supply of any goods and services has been convicted of any offence involving or in connection with slavery or human trafficking or has been or is the subject of investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with human trafficking. The Supplier further warrants that it has implemented and will continue to implement due diligence procedures for its own suppliers, subcontractors and other participants in its supply chains. Supplier shall ensure that Merlin is provided with access to the Supplier's Modern Slavery Act 2015 statement and/or shall provide the same to Merlin on request.

1.5 The Supplier represents and warrants that it and its agents, sub-contractors, connected or associated persons or any person with whom the Supplier contracts in connection with the supply of any Goods and Service:

- 1.5.1 support a precautionary approach to environmental challenges, as described by Principle 7 of the UN Global Compact;
- 1.5.2 undertake initiatives to promote greater environmental responsibility, as described by Principle 8 of the UN Global Compact; and
- 1.5.3 encourage the development and diffusion of environmentally friendly technologies, as described by Principle 9 of the UN Global Compact

In the event that there is any reasonable risk that this representation has, is or may become untrue at any time the Supplier will promptly notify Merlin thereof and take such steps as Merlin may reasonably require in order to rectify or deal with the situation.

The Principles referred to in paragraphs 1.5.1 to 1.5.3 can be viewed at <https://www.unglobalcompact.org/what-is-gc/mission/principles>.