

EXHIBIT CA/03 – INQ00000000

Company Name	Whistl UK Limited
Registered Office	Network House, Third Ave Marlow SL7 1EY
Company Number	04417047

CONTRACT FOR SERVICES

We have issued this Contract to you to set out the terms and conditions upon which we would be willing to accept an offer from you for the purchase of the Services detailed herein.

By signing in the place indicated below you offer to enter into the Contract.

The Contract will not be made unless and until Hermes indicates its acceptance of your offer by signing in the place indicated below.

Each party warrants to the other that the Contract is executed by a duly authorised representative of that party.

You offer to enter into the Contract		Acceptance of your offer by Hermes Parcelnet Limited	
Signed		Signed	
Name		Name	
Position		Position	
Date		Date	

Hermes Parcelnet Ltd Registered in England & Wales No: 3900782
Registered Office: Capitol House, 1 Capitol Close, Morley, Leeds. LS27 0WH

Section A. TERM

Commencement Date: 01/02/2023

Initial Period: 3 Year(s) from the Commencement Date

Section B. CHARGES

1. RATES AND COMMERCIALS

Wrap (Awesome Books) Rate Card

Territory		UK Mainland	Highlands & Islands	Channel Islands	Northern Ireland	BFPO	Isle of Man
Specific Rates	Standard Parcels I&S	<h1>I&S</h1>					
	Standard Packets I&S I&S						
	Light & Large						
	Light & Light Returns						
	Next Day Parcels I&S						
	Next Day Packets I&S I&S						
	Courier C2B Returns						
	Relabelling Surcharge						
	Returns (excl Light & Large)						
	Undelivered Surcharge						
	ParcelShop Deliveries: Packets (excl Light & Large)						
	ParcelShop Deliveries: Parcels (excl Light & Large)						
	ParcelShop Returns (excl Light & Large)						

Notwithstanding anything contained herein the Wrap Rate for Standard Packets I&S shall increase to £1.60 from and including 1 September 2023


Rate Card 1 – New Business

Territory		UK Mainland	Highlands & Islands	Channel Islands	Northern Ireland	BFPO	Isle of Man
Specific Rates	Standard Parcels I&S	<h1>I&S</h1>					
	I&S						
	Standard Packets I&S						
	I&S						
	Light & Large						
	Light & Light Returns						
	Next Day Service Parcels I&S						
	I&S						
	Next Day Service Packets I&S						
	I&S						
	Courier C2B Returns						
	Relabelling Surcharge						
	Returns (excl Light & Large)						
Undelivered Surcharge							
ParcelShop Deliveries: Packets (excl Light & Large)							
ParcelShop Deliveries: Parcels (excl Light & Large)							
ParcelShop Returns (excl Light & Large)							

Rate Card 1 shall be applicable to all new business commencing after the Commencement Date


Rate Card 2 – Standard – Existing Business

Territory		UK Mainland	Highlands & Islands	Channel Islands	Northern Ireland	BFPO	Isle of Man
Specific Rates	Standard Parcels I&S	<h1>I&S</h1>					
	I&S						
	Standard Packets I&S						
	I&S						
	Light & Large						
Light & Light Returns							
Next Day Parcels I&S	I&S						

Next Day Packets <input type="checkbox"/> I&S	
<input type="checkbox"/> I&S	
Courier C2B Returns	
Relabelling Surcharge	
Returns (excl Light & Large)	
Undelivered Surcharge	
ParcelShop Deliveries: Packets (excl Light & Large)	
ParcelShop Deliveries: Parcels (excl Light & Large)	
ParcelShop Returns (excl Light & Large)	

Rate Card 2 shall be applicable to all existing business as at the Commencement Date

1.2 MINIMUM VOLUME COMMITMENTS


Minimum Volumes:	Wrap (Awesome Books) Rate Card: Rate Card 1: Rate Card 2: Total:	
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1.4 LOST IN TRANSIT COMPENSATION

Parcels Lost in Transit compensation? Yes No

If Yes, the compensation for each Parcel Lost in Transit is the lesser of cost price and:

1.5 COMMUNICATION SERVICES

	Email/Push notification	SMS
Standard Communications:		
Pre-advice: We're expecting your Parcel		
Parcel with Hermes/EAD		
Courier ETA		
Successfully Delivered		
ParcelShop/Locker notifications		

1.6 SERVICE ENHANCEMENTS

Signature for selected Parcels

Signature method:	Charge
Proof Of Delivery	I&S
Household Only	

Diversion Services

Diversion service:	Surcharge*
Standard Diversion Services (neighbour/Safe Place)	I&S
Premium Diversion Services (ParcelShop/Locker)	

*Surcharge will be added to all Parcel Rates.

Courier ETA Communications: time windows

The Rate per Courier ETA time window communication (exclusive of the SMS messaging services):

Time window:	Surcharge*
ETA Service within a 2 hour time window	I&S
ETA Service within a 1 hour time window	

*Surcharge will be added to all Parcel Rates.

1.8 INVOICING

The Invoice Period shall be:

I&S

The Client shall pay the Charges within:

I&S

from the end of the Invoice Period.

2. CHARGES AND PAYMENT

2.1 Subject to clause 5 of Part 5 and any variation of the Rates pursuant to clause 3 below, the Charges shall be calculated by:

2.1.1 multiplying the number of Parcels set out in the Client's pre-advice by the Rates applicable to those Parcels as set out in section B of this Part 2; and

2.1.2 multiplying the number of Returns scanned into the Hermes network by Hermes or any Sub-Contractor by the Rate for Returns.

2.2 Subject to clause 2.3 (below), invoices shall be raised on an Invoice Period basis as set out above in this Part 2, and the Client shall pay the Charges that are the subject of any invoice without deduction or set off within the period as set out above in this Part 2 from the invoice date in question by BACS electronic payment method provided that any sum not paid within such a period shall be subject to late payment interest (after as well as before a court judgment) at the rate of 7% above the base rate of the Bank of England from the due date of payment to the date of actual payment.

- 2.3 If the Client fails to settle a Hermes invoice in accordance with the payment terms set out above (under the heading "Invoicing") it shall (if required by Hermes) provide to Hermes within one month of the final date for payment (as a means of security against any further such failure(s)) either (i) a monetary deposit equivalent to the average monthly payment (including both Delivery Charges and any applicable duties and taxes that Hermes incurs) made by the Client to Hermes during the previous Quarter or (ii) a bank guarantee (such guarantee to meet (if required) the financial liabilities of the Client to Hermes under the terms of this Contract).
- 2.4 If the Services are suspended for any period pursuant to clause 6.3 of Part 5 of this Contract, the payment terms set out under the heading "Invoicing" shall be deemed to be amended to "1 week" and "7 days" (unless otherwise notified to the Client by Hermes acting in its sole discretion) should the Services recommence.
- 2.5 All sums payable under the Contract (unless expressly stated to the contrary herein) are shown exclusive of VAT which shall be payable in addition by the Client at the prevailing rate.
- 2.6 Any services provided by Hermes which are additional to the Services shall be charged in accordance with a separate written agreement between the parties.
- 2.7 If the Client's trading position is such that the credit rating given to it by a reputable credit company appointed by Hermes declines materially at any time during the Term then the parties shall negotiate in good faith for a period of not more than 1 week to agree new payment terms.
- 2.8 Where Hermes and the Client have not been able to agree new payment terms pursuant to clause 2.7 of this Part 2 of the Contract, subject to clauses 2.9 and 2.10 Hermes may change the payment terms set out in Section B of this Part 2 during any such period of reduced credit rating so that invoices shall be raised on a weekly basis to be paid:
- 2
- 2.6
- 2.8.1 within 7 days of the date of the invoice in question;
- 2.8.2 immediately as notified to the Client by Hermes; or
- 2.8.3 in advance as notified to the Client by Hermes.
- 2.9 Hermes shall give the Client seven days' notice of any change of the payment terms pursuant to clause 2.8 ("Changed Payment Terms Notice"). For the avoidance of doubt the new payment terms pursuant to Paragraph 2.8 shall not apply until the expiry of the Changed Payment Terms Notice.
- 2.10 If the Client does not accept the new payment terms pursuant to paragraph 2.8, Hermes may terminate the Contract by giving seven (7) days written notice to the Client.
- 2.11 The Client warrants, represents and undertakes that any information, including pre-advice, as to the weights and dimensions of Parcels which the Client provides to Hermes to enable Hermes to calculate the Charges are true and accurate.
- 2.12 The Client acknowledges that the Contract clearly sets out weights and dimensions specific to the Rates. In the event that the Client pre-advises a weight, dimension and/or Rate which is inconsistent with the Contract, Hermes shall have the right to charge the correct Rate.
- 2.13 In the event the Client:

1.11

- 2.13.1 does not pre-advise, partially pre-advises or incorrectly pre-advises a Parcel that it has presented to Hermes for Outward Delivery; or
- 2.13.2 pre-advises a Parcel after it has presented it to Hermes for Outward Delivery; and
- 2.13.3 it has been received by a Courier for delivery

then Hermes shall be entitled to impose a surcharge of £0.95 against the Parcel in question.

3. VARIATIONS TO THE CHARGES

- 3.1 Subject to clause 3.2, on the first Review Date and on each subsequent Review Date, the Rates shall automatically increase in accordance with the formula set out below:

3.1.1 **I&S** of each of the Rates shall increase by a percentage equivalent to the percentage increase in RPIx between the month which is two months before the relevant Review Date and the month which is two months before the preceding Review Date, unless the Review Date is the first Review Date in which case the measure shall be the increase between the month which is two months before the Commencement Date and the month which is two months before first Review Date; and

3.1.2 **I&S** of each of the Rates shall increase by a percentage equivalent to the percentage increase in Fuel RPI between the month which is two months before the relevant Review Date and the month which is two months before the preceding Review Date, unless the Review Date is the first Review Date in which case the measure shall be the increase between the month which is two months before the Commencement Date and the month which is two months before the first Review Date.

By way of example - if on the Commencement Date the delivery rate for deliveries was £2.00 and between the month which is two months before the Commencement Date and the first Review Date the RPIx has increased from 145.00 to 150.80 and therefore the percentage increase in the RPIx was 4% then 95% of the delivery rate for deliveries (£1.90) would increase by 4% to £1.976 and the Fuel RPI has increased from 180.00 to 183.6 and therefore the percentage increase in the Fuel RPI was 2% then 5% of the delivery rate for deliveries (£0.10) would increase by 2% to £0.102 with effect that following the first Review Date the delivery rate for deliveries would be £2.078.

- 3.2 Notwithstanding any other Rates variations in the Contract, the Rates shall increase by a minimum of three per cent **I&S** and maximum of **I&S** on each Review Date.

- 3.3 If:

- 3.3.1 there is a change to the scope of the Services;
- 3.3.2 the Client fails to perform any of its obligations under the Contract;
- 3.3.3 Hermes is forced to change its methods of working by any governmental or regulatory body at any time after the first anniversary of the Commencement Date; or
- 3.3.4 a Sub-Contractor increases its charges provided always that Hermes takes reasonable steps to mitigate any such increases;

and Hermes' material costs of providing the Services increase as a result then Hermes shall be entitled to increase each of the Rates by a percentage equivalent to the percentage increase in its material costs and/or reduce the payment terms set out under the heading "Invoicing" (above).

- 3.4 If a decision is made by:

- 3.4.1 an Employment Tribunal; or
- 3.4.2 HM Revenue & Customs; or

3.4.3 any other authorised body;

that Couriers are not self-employed contractors Hermes shall be entitled to increase any of the Rates under the Contract to the extent that the increased cost to Hermes in performing the Services as a result of the relevant decision is properly reflected in the Rates charged to the Client for the Services.

3.5 If, on a monthly basis during the Term, Fuel RPI increases by more than 2% from the Fuel Reference Price, then 5% of each of the Rates shall automatically increase by a percentage equivalent to the percentage increase in Fuel RPI.

3.6 Where Minimum Volume is specified in clause 1.2 of this Part 2, the Client shall purchase (and be charged for) Services in respect of a number of Parcels that is equal to or greater than such Minimum Volume(s), and the Client acknowledges and agrees that (i) the Rates agreed by Hermes are based upon such Minimum Volume(s); and (ii) in order to support such Minimum Volume(s), Hermes will need to reserve vehicles and capacity in its network, and by reserving such vehicles and capacity will be unable to allocate such resources to other customers or potential customers. Accordingly, the Parties have agreed that if the Client:

3.6.1 fails to purchase Services equal to or greater than 80% of the/each Minimum Volume by the end of the applicable Year of the Contract; or

3.6.2 terminates, purports to terminate the Contract (other than for material breach by Hermes), or where Hermes exercises its rights under Clause 3.10 prior to the expiry of the Initial Period,

then the Client will pay Hermes an underutilisation fee to compensate Hermes for reserving that wasted capacity at the Client's request (the "**Underutilisation Fee**").

3.7 The calculation for Underutilisation Fee shall be undertaken as follows:

3.7.1 Underutilisation Fee = **(S x (R x 15%))** where:

(a) **S** = the Shortfall (in number of Parcels); and

(b) **R** = either (i) the Rate where the Minimum Volume target is for a specific category of Parcels (for example Next Day Packets); or
(ii) the average Rate applicable where the Minimum Volume target is an aggregate target or includes more than one category of Parcels (for example, Next Day Parcels, Standard Service Parcels and Standard Service Packets).

3.7.2 For the avoidance of doubt, where more than one Minimum Volume is missed, the relevant Underutilisation Fee shall be calculated and payable in respect of each missed Minimum Volume; or

3.7.3 Where clause 3.6.2 applies, an Underutilisation Fee shall be calculated and payable in respect of every Minimum Volume set out in clause 1.2 of this Part 2 in accordance with the process set out at clauses 3.7.1 and 3.7.2 above.

3.8 The Parties agree that the provisions of clause 3.6 and clause 3.7 are reasonable and proportionate to protect the legitimate interests of Hermes, and such clauses are without prejudice to the rights of Hermes to claim general damages or exercise any other available remedies arising out of any breach of the Contract by the Client.

3

3.5

3.5.1

3.9 Phased Minimum Volume Table:

MI Period (starting from the Commencement Date)	Phased Parcel Volume Target percentages of each Minimum Volume	Cumulative MI Period target
1	7%	-
2	7%	14%
3	6%	20%
4	8%	28%
5	7%	35%
6	7%	42%
7	9%	51%
8	7%	58%
9	7%	65%
10	10%	75%
11	11%	86%
12	14%	100%
Total	100%	-

3.10 Hermes shall have the right to terminate the Contract by giving to the Client not less than 30 (thirty) days' written notice if in any three consecutive MI Periods in the Phased Monthly Minimum Volume Table the number of Parcels in respect of which Hermes has provided the Services is less than 30% of the applicable Phased Parcel Volume Target over such period.

3.11 Hermes shall have the right to measure in each MI Period the volume of Parcels delivered to London Addresses pursuant to the Services. If at any time during any MI Period the proportion of Parcels delivered to London Addresses exceeds 7.5% of the total number of Parcels delivered pursuant to the Services then Hermes shall be entitled to a surcharge calculated by multiplying the number of Parcels delivered to London Addresses in excess of 7.5% by £0.75p.

4. PEAK CAPACITY

4.1 For the purpose of planning for Hermes' peak capacity the following shall apply:

4.1.1 **"Volume A"** is defined as the weekly average number of Parcels presented by the Client to Hermes for Outward Delivery between 11th January and 1st June (**"Off-Peak Period"**) in any Year of the Contract;

4.1.2 **"Volume B"** is defined as the weekly average number of Parcels presented by the Client to Hermes for Outward Delivery between 15th November and 10th January (**"Peak Period"**) in any Year of the Contract; and

4.1.3 the **"Allocation"** is defined as 150% of Volume A.

Save as where Hermes has agreed to a higher volume in a forecast (in which case this paragraph 4.1 will not be applied during such Forecast period), Volume B shall be no more than the Allocation. If Hermes accepts any such volumes: (i) all Parcels for Outward Delivery in excess of the Allocation will be handled on a reasonable endeavours basis; (ii) all Service Levels shall not apply to such Outward Deliveries; and (iii)

Hermes shall be entitled to increase the Rates in respect of such Parcels at its discretion.

- 4.2 Peak Surcharge: To cover the increased costs during peak, Hermes shall have the right to apply a 7p surcharge on all Parcels that enter the Hermes network during the months of November and December each Year of the Contract.

Section C. OPERATIONS

The goods contained in the Parcels shall be:

General products

Location for collection of Parcels

The Client shall deliver the Parcels to Hermes' hubs at Warrington, Barnsley and Rugby.

Presentation of Parcels (Standard Service traffic):

Pallets	<input checked="" type="checkbox"/>	Loose Loaded	<input type="checkbox"/>	Hanging	<input type="checkbox"/>
Cages	<input checked="" type="checkbox"/>	Sacks	<input checked="" type="checkbox"/>	Magnums	<input checked="" type="checkbox"/>

Presentation of Parcels (Next Day traffic):

Pallets	<input checked="" type="checkbox"/>	Loose Loaded	<input type="checkbox"/>	Hanging	<input type="checkbox"/>
Cages	<input checked="" type="checkbox"/>	Sacks	<input checked="" type="checkbox"/>	Magnums	<input checked="" type="checkbox"/>

Days of collection by Hermes/delivered in by the Client:

Monday	<input checked="" type="checkbox"/>	Tuesday	<input checked="" type="checkbox"/>	Wednesday	<input checked="" type="checkbox"/>
Thursday	<input checked="" type="checkbox"/>	Friday	<input checked="" type="checkbox"/>	Saturday	<input checked="" type="checkbox"/>
Sunday	<input checked="" type="checkbox"/>				

Bank Holiday premium: A surcharge of £95.00 applies to all collections/deliver-ins carried out on a Bank Holiday. A surcharge of £00.25p per Parcel also applies to all Bank Holiday Outward Deliveries.

Minimum Vehicle Fill Requirement (as applicable):

Parcels per van:

Parcels per trailer:

Dangerous Goods:

Dangerous Goods in 'Limited Quantities':	Yes		No	X
Has Hermes agreed to carry Batteries for the Client?	Yes		No	X

Section D. SERVICE LEVELS

Number	Service Level Description	Target
1.	Standard Service: The percentage of Outward Deliveries made or attempted in UK Mainland within 2 Courier Working Days from first scan into the Hermes network during the MI Period in question.	95%
3.	Next Day Service: The percentage of Outward Deliveries that are required to be delivered as 'Next Day' that are made or attempted within 1 Courier Working Day from first scan into the Hermes network during the MI Period in question.	95%
4.	The percentage of Outward Deliveries that are required to be delivered as 'Sunday Service' that are made or attempted on a Sunday after the agreed starting point (scanned by Hermes, pre-advice or Client warehouse despatch) during the Invoice Period in question.	90%

Part 3 – Parcel Requirements

1 Goods within Parcels

The Client warrants, represents and undertakes that the goods contained within the Parcels shall be as described in Part 2.

2 Picking & Packing

2.1 The Client shall present Parcels made up ready for delivery and in accordance with paragraph 2.2 of this Part 3.

2.2 Without prejudice to paragraph 4.4.1 of this Part 3 the Client shall ensure that all Parcels are packaged ready for despatch without requiring any additional packaging or labeling.

3 Labels and Barcoding

3.1 The address labels shall be produced by the Client and attached to the Parcels. Such labels shall contain complete address details as follows:

- Customer name
- Flat number if appropriate
- House number/name
- Street name
- Sub-town/Village (if appropriate)
- Post town
- Postcode

3.2 Addresses shall be PAF (Postcode Address File) validated.

3.3 In addition to the address label, the Client may put an additional label with delivery instructions for the Courier on the Parcel. The Courier shall try to accommodate these instructions where possible.

3.4 The Client warrants and undertakes that each barcode that it produces in accordance with the requirements of this paragraph 3.4 shall be readable by Hermes' computer system, affixed to a Parcel and clearly visible; and

3.5 The Client shall ensure that any Parcels to be sent to or collected from the Territory are labelled and barcoded correctly.

3.6 The Client must ensure that Parcels presented to Hermes for delivery carry a label with a Hermes specific bar-code containing appropriate sortation information (depot, van round, drop number). The Client is responsible for ensuring that Parcels are labelled correctly.

3.7 The Client must not present to Hermes for delivery Parcels that are not bar-coded to the Hermes specification.

4. Parcel & Packaging Requirements

- 4.1 All Parcels shall be within the specified weights and dimensions for Packets, Standard Parcels or Light and Large.
- 4.2 The Client shall not include any Oversized Parcels within the Parcels to be collected by Hermes pursuant to the Services and Hermes shall not be required to perform the Services in respect of any Oversized Parcels.
- 4.3 The Client undertakes to be solely responsible for compliance in all respects with the Packaging Regulations.
- 4.4 Where Hermes has agreed to carry Dangerous Goods in the relevant LQ the Client agrees to:
 - 4.4.1 ensure that the Dangerous Goods in the relevant LQ that are passed to Hermes are packaged and labelled in accordance with the ADR Regulations; and
 - 4.4.2 indemnify and hold harmless Hermes from any damage, claim, loss, liability or expense it incurs as a consequence of carrying the Dangerous Goods in the relevant LQ in performance of the Services.
- 4.5 Where Hermes has agreed to carry Batteries the Client agrees to:
 - 4.5.1 ensure that such Batteries that are passed to Hermes are correctly identified, classified, packaged, marked (including the relevant United Nations number), and labelled.
 - 4.5.2 indemnify and hold harmless Hermes from any damage, claim, loss, liability or expense it incurs as a consequence of carrying the Batteries in performance of the Services.
- 4.6 The Client warrants that it shall comply with the relevant provisions of REACH and CLP including but not limited to:
 - 4.6.1 the provision of appropriate data sheets (as is required pursuant to such legislation); and
 - 4.6.2 all Parcels that contain hazardous products shall be labelled (as is required pursuant to such legislation) with the appropriate hazard symbol.
- 4.7 The Client acknowledges that Hermes shall use automated sortation equipment and accordingly shall ensure that the packaging that it uses shall be compatible with automated sortation machinery.
- 4.8 The Parcels and the goods contained therein shall be such that:
 - 4.8.1 No chilling shall be required;
 - 4.8.2 No payment of duties shall apply;

4.8.3 No customs administration shall be required

4.8.4 No handling of perishables shall be required; and

4.8.5 No handling of fragile goods shall be required.

4.9 The Client warrants that the goods contained in any Parcel shall not contain

4.9.1 any product with a blade which is capable of causing a serious injury to a person which involves the cutting of that person's skin; or

4.9.2 any corrosive product or corrosive substance as defined by the Offensive Weapons Act 2019

and the Client shall indemnify and hold harmless Hermes from any damage, claim, loss, liability or expense it incurs as a consequence of any breach of this clause 4.9 by the Client.

5. File Exchange

5.1 The Client will adopt one of the following file transfer solutions:

5.1.1 Client hosted solution

The Client hosted solution will allow the Client to import or collect a routing file at the agreed times to create an electronic manifest (pre-advice file) and then transmit electronic manifests (pre-advice file) to Hermes according to Hermes' file layout specification, as agreed between the Client and Hermes' IT Client Manager. The Client must provide Hermes with a pre-advice file for each Parcel collection. This record contains all details as outlined in the Hermes file specification including address details, unique order/ customer reference number, Parcel weight and, if known to the Client, the Customer telephone number.

5.1.2 Hermes hosted solution

The Hermes' hosted solution will allow the Client to create an electronic manifest (pre- advice file) containing Customer details and then place it in a folder on Hermes' server to then route and create a file for the Client to pick up, as agreed between the Client and Hermes' IT Client Manager. The Client must provide Hermes with a pre- advice file for each Parcel collection. This record contains all details as outlined in the Hermes file specification including address details, unique order/ customer reference number, Parcel weight and, if known to the Client, the Customer telephone number.

5.1.3 Labels on demand solution

The Label online solution will allow the Client to sign onto Hermes' website with a unique user identify and password. Labels can then be created individually by manually inputting Customer information, as agreed between the Client and Hermes' IT Client Manager. Addresses are PAF validated at the point of entry.

5.1.4 **Hermes routing service solution**

The Client must provide Hermes with a pre-advice file for each Parcel collection. This record contains all details as outlined in the Hermes file specification including address details, unique order/ customer reference number, Parcel weight and, if known to the Client, the Customer telephone number.

- 5.2 Hermes shall not be liable to the Client for any breach of this Contract including agreed Service Levels related to the Client's failure to perform its obligations under the adopted solution pursuant to paragraph 5.1 of this Part 3 of the Contract.

Part 4 – Service Specification

1 Trunking

- 1.1 Where the parties have agreed that the Client will present Parcels to Hermes for collection, the following shall apply:
- 1.1.1 Parcels will be collected by Hermes on each of the days set out in Part 2 from the Client's warehouse at the location set out in Part 2 at times and frequencies, dependent upon Parcel volumes, agreed between the Client and Hermes. Hermes will provide such number of collection vehicles as is suitable for the volume of Parcels forecast pursuant to clause 4 of Part 5.
 - 1.1.2 Parcels shall be presented to Hermes for collection in the manner set out in Part 2 and Part 5.
 - 1.1.3 The Client shall ensure that trunk vehicles are securely sealed with a security tag before they leave the Client's premises. The Client shall ensure that each collection is accompanied by consignment documentation (manifest) completed by the Client and signed by an authorised representative of the Client and the driver of the collecting vehicle. Parcel count information shall be included on the consignment documentation. The Client will indicate how many pallets/roll cages are included within the load, and split that information by service type, for example standard service, next day and so on. The Client should also indicate the security tag ID number on the consignment documentation (manifest).
 - 1.1.4 Changes to the delivery schedule shall be notified to Hermes and require Hermes' express consent a minimum of 48 hours in advance.
 - 1.1.5 Subject to the Client paying additional charges, Hermes will use its reasonable endeavours to meet the Client's requests for extra collections and cancelled collections, made at short notice.

2 Delivery

- 2.1 Hermes will make Outward Deliveries.
- 2.2 All Parcels on inbound trunk vehicles from the Client will be unloaded and scanned into a Hermes' sortation hub or a Hermes depot.

3 Deliveries via Hermes Couriers

- 3.1 The majority of Couriers attempt deliveries 6 days per week, Monday-Saturday.
- 3.2 Where delivery attempts are unsuccessful the Courier will attempt to leave a completed drop card or where the Client provides a copy of the Customer's email address in the relevant pre-advice file, Hermes shall send a digital calling card to the Customer by e-mail. The drop card and/or digital calling card will be Hermes branded.
- 3.3 Except for Sunday Service, Couriers will make a maximum of three delivery attempts usually on consecutive Courier Working Days. If after three delivery attempts the delivery has been

unsuccessful the Parcel is then returned to the depot for return to the Client.

- 3.4 For Sunday Service, Couriers will make a maximum of three delivery attempts usually on consecutive days. If after three delivery attempts the delivery has been unsuccessful the Parcel is then returned to the depot for return to the Client.
- 3.5 The Client may contact Hermes if urgent delivery instructions need to be communicated to a Courier. Hermes will then use its reasonable endeavours to contact the Courier subject to the Courier being contactable.
- 3.6 For doorstep services, or any service which requires close contact between an employee, agent of Hermes or a Courier and a member of the public, Hermes reserves the right to amend this Part 4 in the event that it has any concerns for the health and safety of the same.

4 Deliveries via ParcelShops and Deliver to Lockers service

- 4.1 Hermes will make ParcelShops available to the Client so that Customers can receive (by collection) Parcels from the Client at ParcelShops.
- 4.2 ParcelShops will retain Parcels for such period as agreed with the Client following the ParcelShop Working Day on which the relevant Parcels are delivered to a ParcelShop to allow the Customers to collect their Parcels before arranging for Hermes to return the uncollected Parcels to the Client.
- 4.3 Where agreed, Hermes will make specified lockers available to the Client so that its Customers can collect their Parcels from such locker locations as part of the Deliver to Lockers service.
- 4.4 The Client must use the appropriate API or equivalent arrangement for the Deliver to Lockers service, as specified by Hermes from time to time.
- 4.3 The Parcel will be available to collect from the relevant locker for a period of 48 hours from Delivery. The Customer will be informed by e-mail and/or via the Hermes App when the Parcel is ready to collect from the locker. In the event that the Customer fails to collect the Parcel within 48 hours the Parcel will be returned to the Client.

5 Sunday Service

- 5.1 Where the parties have agreed that Hermes will provide a Sunday Service, the Client shall:
 - 5.1.1 present the Parcels that are to be subject to the Sunday Service to Hermes for collection at the date and time agreed between the parties (acting reasonably) for Outward Delivery on the Sunday; or
 - 5.1.2 transport the Parcels subject to the Sunday Delivery Service to Hermes' sortation hub at Warrington and/or such other Hermes' sortation hub(s) (as agreed between the parties from time to time) at the date and time agreed between the parties (acting reasonably) for Outward Delivery on the Sunday.

6 Address Queries for Deliveries via Couriers and Light and Large Couriers

- 6.1 Where a Courier is experiencing difficulties locating a Customer's address, they will either telephone the Courier helpdesk to request assistance or call the Customer directly where this has been agreed with the Client and it is possible to do so.

- 6.2 If a Customer's phone number is known, the Courier helpdesk will contact them for further address details or directions. If successful, these instructions can then be passed back to the Courier and the Parcel delivered with the minimum of delay. The relevant depot will attempt to contact the Customer a maximum of 3 times within a 48 hour period. If unsuccessful, the Parcel will be returned to the Client as Undeliverable.
- 6.3 Depots will hold address query Parcels for 48 hours before returning the Parcel through the Hermes network.

7 Undeliverable Parcels subject to home delivery

- 7.1 A Parcel subject to home delivery shall be deemed to be undeliverable ("Undeliverable") if:
- 7.1.1 it is refused at the delivery address;
 - 7.1.2 it has not been delivered after three unsuccessful delivery attempts have been made;
 - 7.1.3 the address on the Parcel is incorrect;
 - 7.1.4 a query relating to the address on the Parcel is not resolved; or
 - 7.1.5 the Parcel is damaged prior to delivery to the relevant Customer.
- 7.2 When Hermes determines that a Parcel is Undeliverable a request for an authorisation code to return the Parcel is made. This information will appear in the tracking data record file provided to the Client.
- 7.3 The Undeliverable Parcel will be scanned upon receipt at a depot. This information will appear in the tracking data record.
- 7.4 Undeliverable Parcels will be consolidated for return to the Client along with the Returns.
- 7.5 Undeliverable Parcels will receive an additional handling charge, as set out in Part 2.

8 Undeliverable Parcels via ParcelShops

- 8.1 A Parcel subject to delivery via ParcelShops shall be deemed to be undeliverable ("Undeliverable") if:
- 8.1.1 Parcel Pre-advice (unique data relating to each Parcel) not received from the Client;
 - 8.1.2 ParcelShop has closed for business;
 - 8.1.3 ParcelShop has been re-routed to another depot;
 - 8.1.4 Parcel has been retained in the ParcelShop for a maximum period as agreed between the parties;
 - 8.1.5 Customer cannot provide the correct form of ID;
 - 8.1.6 Customer refused Parcel at point of collection;
 - 8.1.7 Parcel is damaged; or
 - 8.1.8 Parcel exceeds acceptable weights & dimensions of the ParcelShop network. Weights and dimensions are defined as follows: for Standard Service and Next Day Service Parcels, a maximum weight 15kg, maximum length 120cm, and maximum combined dimension 225cm. It is not possible to accept or deliver Light and Large Parcels at ParcelShops due to limited capacity
- 8.2 The Undeliverable Parcels will be consolidated for return to the Client along with the Returns.
- 8.3 Undeliverable Parcels will receive an additional handling charge, as set out in Part 2.

- 8.4 The Undeliverable Parcel will be scanned upon receipt at a depot. This information will appear in the tracking data record.

9 Return Parcels

- 9.1 Hermes will communicate the non-promotion of returns to Couriers, although it is acknowledged by both parties that some stickers may be placed on Parcels and the Client acknowledges they shall pay Hermes for all Returns handled.
- 9.2 The Client call centre should consolidate Return orders and communicate them once per day to the Hermes Helpdesk. The communication method and contact detail is to be agreed between the parties.
- 9.3 All communication should include previous Parcel number (for Parcel being collected) and Customer name and address details.
- 9.4 Returns will be consolidated and returned to the Client's premises.

10 ParcelShop & Locker Returns

- 10.1 Hermes will make ParcelShops available to the Client so that, subject to paragraph 10.2 of this Part 4, Customers can Return Parcels to the Client via ParcelShops.
- 10.2 Each Parcel to be handled as a Return via any ParcelShop must have a valid returns label, provided by the Client to the Customer, attached to it to enable the Parcel to be processed at the ParcelShop and onward through the Hermes network. Hermes shall not be liable for non-performance of the Services if there is no valid returns label attached to any Parcel.
- 10.3 Hermes may make Lockers at specified locations available to the Client so that, subject to paragraph 10.4 of this Part 4, Customers can Return Parcels to the Client via such Lockers.
- 10.4 Each Parcel to be handled as a Return via a Locker must have a valid returns label, provided by the Client to the Customer or downloaded from the Hermes website, affixed to it to enable the Parcel to be processed through the Hermes network. Hermes shall not be liable for non-performance of the Services if there is no valid returns label affixed to any Parcel.

11. Query Process for Outward Deliveries

- 11.1 When making any query regarding any Parcel the Client must quote the 16 digit barcode number for the relevant Parcel(s).
- 11.2 Last status Parcel tracking is available via the Hermes website. Proof of delivery can be retrieved from the website, alternatively the Client may contact the Hermes Central Customer Services Team for additional and investigative information.
- 11.3 Where a paper manifest has been used for delivery, proof of delivery will only be available a minimum of 3 Working Days after the delivery date. To allow time for paper manifest to be scanned into the Hermes systems, Hermes can only accept queries on Parcels delivered by paper manifest that are more than 6 Courier Working Days from manifest date.
- 11.4 The Client should notify the Hermes Central Customer Services Team of delivery queries during the following hours 08:00 – 20:30 Monday to Friday and 08:00 – 18:00 on Saturday and Sunday via e-mail sent through the parcel tracking platform licensed by Hermes to the Client pursuant to paragraph 12.3 of this part 4. Hermes will use reasonable endeavours to respond to all

queries within 24 hours from the time the query is received during the hours referred to in this paragraph 11.4.

11.5 Hermes' response will utilise the latest available tracking information.

11.6 For urgent queries, such as fraud or police investigations, Hermes will use reasonable endeavors to provide an initial response within 4 hours of the query being raised. A separate email address will be provided for this purpose to be used only by specific agreed individuals within the Client's business.

12 Tracking data

12.1 Individual outbound Parcels are scanned at key points during the delivery process.

12.2 Key tracking points currently include:

12.2.1 on receipt of Parcel at a Hermes' sortation hub.

12.2.2 on receipt of Parcel at a Hermes' depot.

12.2.3 allocation of the Parcel to a Courier.

12.2.4 delivery or attempted delivery of Parcel to the Customer.

12.3 Hermes grants to the Client a non-exclusive, non-transferrable, royalty free licence to use Hermes' parcel tracking platform for the purposes of tracking Parcels during the Term of this Contract.

13 Complaints

13.1 The Client shall submit Customer complaints to Hermes as soon as reasonably practicable using the electronic forms provided by Hermes. This will enable Hermes to investigate the Customer complaints.

13.2 Complaints will be categorised as "information only" or "serious". For serious complaints, an initial response will be provided within 24 hours and a written monthly update will detail all serious complaints and actions taken.

13.3 Hermes will not enter into direct correspondence with the Client's Customers with respect to such complaints and, as such, all responses will be directed through the Client.

14 Reporting

14.1 Hermes will provide the Client with a report for each Invoice Period. This will contain information regarding the following:

14.1.1 outbound volumes;

14.1.2 inbound volumes;

14.1.3 parcel volume by service type;

14.1.4 network transit times;

14.1.5 enquiries received; and

14.1.6 Undeliverable Parcels.

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15. **DIGITAL SERVICES**

15.1 Where the Parties have agreed (as identified in Part 2), Hermes shall, save for in the Digital Services Excluded Areas and subject to the Digital Services Dependencies, provide the Digital Services as set out in the remainder of this paragraph 15 in consideration for payment of a proportion of the Charges set out in Part 2. In the event that Hermes and the Client agrees that the Client's logo(s) be used in any of the Digital Services [pursuant to this paragraph 15 of this Part 4 of the Contract], the Client grants to Hermes a non-exclusive, non-transferable, royalty free license to use such logo(s) for that purpose.

15.2 **Website tracking:** subject to the Client complying with the dependencies set out in clause 15.3 (below), the website tracking service provides updates to the Client's customers for the delivery of Standard Parcels and Outward Deliveries designated as 'Next Day' delivery. Such updates are comprised of updates with regard to:

- (i) Courier Deliveries, ParcelShop Deliveries;
- (ii) 'Next Day' Deliveries;
- (iii) diversions of Parcels to a safe place, neighbour's address or a ParcelShop;
- (iv) Parcels collected from ParcelShops;
- (v) a reminder that a Parcel has been delivered to a ParcelShop;
- (vi) a reminder that a Parcel has not been collected from a ParcelShop;
- (vii) delivery to a locker;
- (viii) confirmation that a Courier could not find the address listed on the Parcel;
- (ix) and damaged Parcel updates.

15.3 **Website tracking dependencies** – the Client shall:

- (i) update its order confirmation and order despatch email links; and
- (ii) Metapack or any other relevant 3rd party integrator links to the URLs that will be communicated by Hermes to the Client on or around the date of this Agreement.

15.4 **Digital Returns service** - subject to the Client complying with the dependencies set out in clause 15.5 (below,) the Digital Returns Service (which is provided on an ex gratia basis to Customers) will allow Customers to:

- (i) generate a returns label to print at his/her home address; and
- (ii) generate a 'QR' code or alphanumeric code to use at a ParcelShop print in store machine (which for the avoidance of doubt is the printer-less option).

15.5 **Digital Returns service dependencies** – if the Client is a "Client Hosting" Client it must:

- (i) provide price rates for paid returns and specify the entry points they want to offer to Customers – i.e. ParcelShop, Locker drop off or Courier collections;

- (ii) provide the address to which Parcels will be returned;
- (iii) provide brand logos to enable Hermes to incorporate them on the Returns website;
- (iv) provide the prices that the Customer will pay to the Client for pricing Returns;
- (v) Clients must direct Customers to the Hermes Return Parcel portal by including the Hermes Return Parcel URL as updated from time to time on their web site and printed Return inserts; and
- (vi) details of where it wants Customers to be redirected to from the Hermes Return Parcel portal.

If the Client is a “Hermes-hosted” Client, it must:

- (i) provide the address to which each Parcel will be returned;
- (ii) provide brand logos to enable Hermes to incorporate them on the Returns website (the format and size of such logos need to be SVG’s or PNG, 600 x 600 pixels, with a DPI of 300 or more, white background, no border);
- (iii) promote the URL of the new Return Parcel portal to Customers and specifically promote the move to the URL located at from <https://www.myhermes.co.uk/return#/> to the new URLs that will be communicated to clients; and
- (iv) confirm the price that will be paid by the Customer in consideration for the Return service provided by Hermes on behalf of the Client

15.6 **Communications technology** – subject to the Client complying with the dependencies set out in clause 15.7 (below), this service consists of communicating by way of SMS, email or other method the Parcel journey to Customers and includes the option to allow the Client to send personalised Parcel journey updates for Standard Parcels and Outward Deliveries designated as ‘Next Day’ and an optional ETA & Diversion Service time slot of 4 hours or 2 hours. The methods of communication for this service include:

- (i) all the emails provided for Courier Delivery;
- (ii) ParcelShop Delivery, ‘C2B’ Returns;
- (iii) Parcel diversions to a safe place or neighbour’s address;
- (iv) confirmation that a Parcel has been collected from a ParcelShop;
- (v) a reminder that a Parcel has arrived at a Parcel Shop;
- (vi) a reminder that a Parcel has not been collected from a Parcel Shop;
- (vii) confirmation that the Courtier could not find the Customer’s address; and
- (viii) confirmation that a Parcel has been damaged.

15.7 **Communications Technology dependencies:**

(a) Email integration: the Client must:

- (i) confirm the Parcel journey events which they want their Customers to be given notice of;
- (ii) select the Parcel journey events in the Client profile; and
- (iii) provide an email address and via the pre-advice.

(b) SMS integration: the Client must:

- (i) confirm the Parcel journey events which they want their Customers to be given notice of;
- (ii) select the Parcel journey events in respect of which they want their Customers to be notified of; and
- (iii) provide the Customer’s mobile phone number in the pre-advice.

(c) Push Notifications

- (i) Hermes will provide delivery updates where a Customer has downloaded the Hermes App with a registered their e-mail address, and has consented to receiving push notifications.

15.8 Parcel Diversions:

15.8.1 **Standard Diversions Service – Safe Place and Neighbour Client Web tracking –** subject to the Client complying with the dependencies set out in clause 15.9 (below), Hermes will provide a service that allows the Client to give Customers a preference to leave their parcel in a nominated safe place or with a neighbour by directing the Customer to the Hermes tracking website.

15.8.2 **Premium Diversions Service- Lockers and Parcelshops –** where such service is selected in Part 2, the Client may instruct Hermes to divert the Parcel to a nearby Parcelshop

15.8.3 **Exceptions –**

(i) POD (Proof Of Delivery) Parcels cannot be diverted to a safe place, but can be diverted to a neighbour, or for Premium Diversion Services, to a Locker or ParcelShop.

(ii) HSI (Household Only) Parcels can only be diverted to a Locker or ParcelShop under the Premium Diversion Services, but not to a safe place or neighbour under any circumstance.

(iii) Diversions to ParcelShop is dependant on their being a ParcelShop on the Courier's round.

15.9 **Diversions – Safe Place and Neighbour Client Web tracking dependencies –** if the Client is a Hermes hosted client, the Client must:

- (i) request a safe place set up via Hermes;
- (ii) inform Hermes if POD is required;
- (iii) update the order confirmation and order despatch emails to include the option to set a safe place preference before the cut off.

If the Client is a "Client Hosting" Client it must:

- (i) request a safe place set up via Hermes;
- (ii) inform Hermes if POD is required;
- (iii) update order confirmation; and
- (iv) order despatch emails to include the option to set a safe place preference before the cut off.

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15.10. **Diversion Services** – subject to the Client complying with the dependencies set out in clause 15.11 (below) Hermes (or the relevant Courier) (as applicable) shall, save for the ETA Excluded Areas and the ETA Excluded Services and subject to the payment of any applicable charges:

- (i) set up an agreed time window (the duration of the time window to be as agreed between Hermes and the Client) for the Outward Delivery or Scheduled Collection of Parcel(s) to or from any Customer;
- (ii) communicate such agreed time window to the Client;
- (iii) (if requested by the Client) communicate such time window to any applicable Customer by SMS, emails or other method (the method of notification to be agreed between Hermes and the Client);
- (iv) automatically update the Client’s website tracking page by displaying the actual time window in which the Parcel(s) will be delivered or attempted to be delivered.
- (v) make or attempt an Outward Delivery or a Scheduled Collection for single or multiple Parcel(s) to or from any Customer within such agreed time window (the “**Diversion Services**”

15.11. **Diversion Services dependencies** – if the Client is a “Client Hosting” Client it must ensure that:

- (i) the Customer’s email address and mobile phone number to which the ETA notifications will be sent is present in the pre-advice and routing request; and
- (ii) the alert group and group ID to trigger SMS messages have been populated.

15.12. **Geolocation service** – subject to the Client complying with the dependencies set out in clause 15.13 (below), this service involves a GPS location being activated at the time the Parcel is recorded by Hermes as delivered showing where the Parcel was handed to the Customer or left in a safe place.

15.13. **Geolocation service** – the Client must ensure that Customer’s contact details and delivery address provided to Hermes in the pre advice are accurate.

15.14. **Safe place photo** – subject to the Client complying with the dependencies set out in clause 15.15 (below), this service involves a photo that is taken by the Courier delivering the Parcel showing where the Parcel has been left in situ in the safe place. This photo will automatically be stored in the web tracking page on Hermes’ website.

15.15. **Safe place photo dependencies** – the Client must ensure that the Customer’s contact details and delivery address provided to Hermes in the pre advice are accurate.

- 15.16. **Print in store Returns** - subject to the Client complying with the dependencies set out in clause 15.17 (below), the Hermes Print In Store Returns service (which is free to Customers) offers a Returns service for Customers with the options to generate a QR code & alphanumeric code online to use at a print in store machine (i.e. this is a printer-less option). There is also the option for a Customer to use a print in store machine to select the Client from a drop down list and print the label directly in the ParcelShop. This Digital Service is only available for Clients that use ParcelShop drop services.
- 15.17. **Print in store Returns dependencies** – the Client must utilise the ParcelShop finder API to determine the ParcelShops that provide “Print-In-Store” facilities.
16. **Play for Retailer**
- 16.1. In order to enable Hermes to display the Client’s media via the Play for Retailer service, the Client must provide the video in MP4 format or other format specified by Hermes (“Video”).
- 16.2. If required, the Client will also provide a link to its website, referred to as the “Shop the Website” link which can be displayed at the end of, or alongside the Video.
- 16.3. A recipient of the Parcel will be able to use their Hermes App to scan the Parcel’s barcode to view the Video. The Client acknowledges that any individual with the Hermes App will be able to view the Video via this method. The Video will also be available to view via notification e-mails sent to the Customer.
- 16.4. Hermes may also offer an Augmented Reality (“AR”) function via the Hermes App. For the AR function to work, an anchor point must be clearly present on the Parcel’s label. The Client must therefore ensure that the labels are clearly printed with the barcode and anchor point clearly displayed.
- 16.5. The Video and Shop the Website link (if present) will be available for Customers to view during campaigns of up to 95 days long.
- 16.6. The Client accepts that it is fully responsible for complying with all applicable laws, regulations, codes and guidance in relation to marketing and advertising and the content of the Video and its Shop the Website link. The Client accordingly agrees to indemnify and hold harmless Hermes from any damage, claim, loss, liability or expense it incurs as a consequence of a breach of any such applicable laws, regulations, codes and guidance.

Part 5

1 Definitions

1.1 In the Contract the following terms shall have the following meanings:

'Actual Volume' means, in respect of any Minimum Volume, the actual amount of relevant Services purchased by the Client over the period applicable to that Minimum Volume.

'ADR Regulations' means the European Agreement concerning the International Carriage of Dangerous Goods (as may be amended or superseded from time to time);

'Annual Plan' means a Forecast of the Business Volume anticipated in each Calendar Month for the following Year of the Contract;

'Audit' means an audit to inspect the dimensions and/or weights of Parcels presented by the Client for Outward Delivery to ensure that the Client has declared the correct type of Parcel on the pre-advice file or other documentation as agreed between the parties;

'Bank Holiday' means a statutory bank holiday in any Territory where the banks are closed as applicable to the Services carried out.

'Batteries' means lithium metal batteries and/or lithium ion batteries;

'Business Volume' means the volume (calculated by reference to the number of individual items) of all Outward Deliveries either in aggregate or split according to Minimum Volume (as the context requires) and/or Returns, in respect of which Hermes performs the Services in any Year of the Contract;

'Charges' means the monetary consideration for the Services calculated in accordance with Part 2 using the Rates;

'Client' means the person or company to whom the Services shall be provided as set out in Part 1;

'Client Personal Data' means Personal Data provided to Hermes by the Client in connection with this Agreement;

'CLP' means CLP-Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures (as may be amended or superseded from time to time);

'Commencement Date' means the date set out in Part 2 upon which the Services shall commence;

'Communication Messaging Service' means a text messaging service to provide active tracking information for single or multiple parcels ordered by a Customer to the mobile device of the Customer in question;

'Confidential Information' means information which is secret or confidential or which is by its nature confidential and includes without limitation Data, information relating to the costs of operation or sales prices or purchase costs of any goods or services, sales volumes and any trade secrets;

'Contract' means these terms and conditions and Parts 1 to 4 and any applicable Special Terms and Conditions;

'Courier' means a Sub-Contractor which is used by Hermes to perform such part of the Services that comprise the Outward Delivery or collection of Parcels to or from any Customer;

'Courier Working Day' means any day from Monday to Saturday (inclusive) which is not Christmas Day, Boxing Day, New Year's Day or a statutory Bank Holiday;

'Customer' means person or persons to or from whom the Client requires Parcels to be delivered or collected by Hermes;

'Dangerous Goods' means goods as classified as being dangerous goods for the time being by the ADR Regulations;

'Data' means any information supplied by the Client to Hermes in performance of the Client's obligations under the Contract;

'Data Protection Legislation' means (i) unless and until such legislation is no longer directly applicable in the UK, the General Data Protection Regulation ((EU) 2016/679) ("GDPR") and any national implementing laws, (including the Data Protection Act 2018), regulations and secondary legislation in the UK and then (ii) any successor legislation thereto; and in each case any statutory guidance issued by the ICO;

'Data Processor' has the meaning given to it by the Data Protection Legislation;

'Data Protection Directive' means the Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data;

'Diesel Index' means the diesel index published by the Department for Business, Energy & Industrial Strategy, or such other indices as may replace this from time to time;

'Digital Services Dependencies' means the dependencies as set out in clause 15 of Part 4 that the Client must comply with in order for Hermes to provide the Digital Services;

'Digital Services Excluded Areas' means a list of postcodes where Digital Services will not be performed as provided by Hermes to the Client from time to time;

'Digital Services Excluded Services' means Outward Deliveries to and Returns from ParcelShops, the Outward Delivery of Light and Large Parcels, the Sunday Service and Returns save for Scheduled Collections;

'Digital Services' means the services to be provided by Hermes (where indicated in Part 2) as set out in clause 15 of Part 4 of the Contract;

'Diversion Service' means either the Standard Diversion Service or Premium Diversion Service as set out in Part 2;

'ETA Excluded Areas' means a list of postcodes where the Diversion Services will not be performed as provided by Hermes to the Client from time to time;

'ETA Excluded Services' means Outward Deliveries to and Returns from ParcelShops, the Outward Delivery of Light and Large Parcels, the Sunday Service and Returns save for Scheduled Collections;

'Forecast' means the Client's forecast of the volume of Services it anticipates that it shall purchase from Hermes in a particular period;

'Fuel RPI' means the underlying average of the Diesel Index;

'Fuel Reference Price' means the Diesel Index price published by the Department for Business, Energy & Industrial Strategy in the month prior to the Commencement Date and the month prior to each review Date;

'Full Audit' means an Audit of all of the Parcels presented by the Client within a specified location and timeframe;

'Hermes' means Hermes Parcelnet Limited (Company No. 03900782) whose registered office is at Capitol House, 1 Capitol Close, Morley, Leeds LS27 0WH;

'Hermes' Property' is defined in clause 4.11;

'HHT' means any hand held terminal or personal mobile device used by Couriers or ParcelShops to send tracking information concerning any Parcel in performance of the Services;

'Highlands and Islands' means the parts of Scotland that have postcodes with the following pre-fixes: "ZE"; "HS"; "KW"; "IV"; "AB36-38 inclusive"; "AB54-56 inclusive"; "FK17-21 inclusive"; PA20-80 inclusive"; PH15- PH50; "KA27 & KA28" and the Isles of Scilly that have the following pre-fixes: "TR21-25";

'Initial Period' means the period set out in Part 2 commencing on the Commencement Date during which Hermes shall perform the Services;

'Invoice Period' means the period as set out in Part 2 of the Contract;

'Jersey GST' has the meaning given to it in clause 3.15;

'Light and Large Parcel' unless otherwise defined in Part 2, means a Parcel which weighs more than 15kg and less than 30kg and/or is more than 1.20m in length for its largest single dimension, or has combined dimensions in excess of 2.25m, calculated using its largest single dimension plus two times each of its other dimensions, but which does not exceed a maximum length of 1.8m, a maximum girth of 2.4m or a maximum length and girth combined of 4.2m;

'London Addresses' means addresses in London with the following post code areas:

E	East London
EC	East Central London
N	North London
NW	North West London
SE	South East London
SW	South West London
W	West London
WC	West Central London

'London Density Surcharge' means any surcharge calculated and due pursuant to clause 5.8 of this Part 5;

'LQ' means, in respect of any Dangerous Goods, the limited quantities thereof as set out in the ADR Regulations;

'Manual Handling Regulations' means The Manual Handling Operations Regulations 1992 (as amended or superseded from time to time);

'MI Period' means a Hermes financial period of either four or five weeks' duration;

'Minimum Vehicle Fill Requirement' means the number or percentage fill of Parcels that the Client must ask Hermes to collect by way of a vehicle collection as set in Part 2;

'Minimum Volume' means each Minimum Volume as set out in the Minimum Volume Commitment section in Part 2 that require Outward Delivery and Returns per Year of the Contract;

'Mobile Services' means the provision of active tracking information for single or multiple parcels ordered by a Customer to the mobile device of the Customer in question; which for the avoidance of doubt does not include SMS sent as part of Communications to the Customer or SMS sent as part of Digital Services;

'Model Clauses' means the standard contractual clauses annexed to the EU Commission Decision 2010/87/EU of 5 February 2010 for the transfer of personal data to processors established in Third Countries (and any successor clauses), or any other standard contractual clauses issued by the EU Commission which replace such clauses from time to time;

'Next Day Packet' means, unless otherwise specified in Part 2, a Packet which is subject an Outward Delivery with the Next Day Service ;

'Next Day Parcel' means, unless otherwise specified in Part 2, a Parcel which weighs more than 1kg and less than 15kg with a maximum length of 1.20m for its largest single dimension (usually length) or has combined dimensions not in excess of 2.25m, calculated using its largest single dimension plus two times each of its other dimensions and is subject to an Outward Delivery with the Next Day Service as set out in Part 2;

'Non-Compliant Parcel' means a Parcel which the Client pre-advises or otherwise describes a Parcel to Hermes incorrectly or inaccurately;

'Notification Email' means the email sent to the Client's Customer to inform them of despatch and/or Outward Delivery of their Parcel which for the avoidance of doubt does not include Push Notifications or emails sent as part of Digital Services;

'Outward Delivery' means any delivery of Parcels to any Customer or to any applicable ParcelShop;

'Oversized Parcel' means a Parcel which weighs in excess of 30kg or which is more than 1.8m in length, 2.4m in girth or has a length and girth combined of more than 4.2m;

'Packaging Regulations' means The Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (as amended or superseded from time to time);

'Parcel' means any parcel that the Client asks Hermes to collect or deliver on behalf of the Client pursuant to Hermes' performance of the Services, which shall be a Standard Service Parcel, Next Day Parcel, Standard Service Packet, Next Day Packet or a Light and Large Parcel (as the case may be);

'Parcel Locker' means a locker on third party premises into which any Customer may deposit a Parcel so that Hermes may perform the Services in respect of such Parcel or into which Hermes may make an Outward Delivery;

'Parcel Requirements' means the requirements set out in Part 3;

'ParcelShop' means any Parcel Locker or third-party shop premises the location of which is either set out in Shopfinder or notified to the Client for the time being pursuant to clause 2.9 (as the case may be) at which any Parcel may be (i) deposited by Customers and collected as a Return and/or (ii) delivered to by Hermes pursuant to the Services for pick up by the relevant Customer;

'ParcelShop Working Day' means any day from Monday to Saturday (inclusive) which is not Christmas Day, Boxing Day, New Year's Day or a statutory Bank Holiday;

'Parcels Lost in Transit' means any Parcels that Hermes loses pursuant to its performance of the Services;

'Peak Period' means the period of 15th November to 10th January in any Year of the Contract;

'Personal Data' means any information relating to an identified or an identifiable natural person (data subject) being one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his/her physical, physiological, mental, economic, cultural or social identity, or as otherwise defined under applicable Data Protection Legislation;

'Phased Minimum Volume' means the monthly Parcel percentage volumes that shall, in aggregate over the 12 months in each Year of the Contract, be equal to the Minimum Volume as set out in Part 2 of the Contract;

'Process' or 'Processing' or 'Processed' means accessing, obtaining, recording, holding, disclosing, using, altering or deleting Personal Data, or carrying out any operation(s) on the Personal Data or as otherwise defined under applicable Data Protection Legislation;

'Purpose' is defined in clause 12.3.1;

'Push Notification' has the meaning given in Part 4 of the Contract;

'Quarter' means in any Year of the Contract each period of three consecutive months, the first such period commencing on the Commencement Date and thereafter each such period commencing on the first day of the fourth month that immediately follows the last day of the preceding period of three consecutive months;

'Rates' means the rates set out in Part 2 as may be varied in accordance with the terms of the Contract;

'REACH' means Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (as may be amended or superseded from time to time);

'Review Date' means each anniversary of the Commencement Date during the Term;

'Return' means a Parcel collected from a Customer or a ParcelShop (as the case may be) for return to the Client pursuant to the Services;

'RPIX' means the value of the retail price index published by the Office for National Statistics (excluding mortgages) or such other retail price index as may replace this from time to time;

'Scheduled Collection' means a Parcel collection (i) booked by a Customer via Hermes returns website or booked in advance by the Client (in the method agreed between the parties); and (ii) collected by a Courier from a Customer for Return to the Client;

'Security Incident' means the unauthorised acquisition, access, use or disclosure of Client Personal Data;

'Service Level' means those service levels as set out in Part 2;

'Services' means the services specified in Part 4;

'ShopFinder' means the online application that is proprietary to Hermes which may be used to identify the location of ParcelShops in the vicinity of an address entered into the application by a user;

'Shortfall' means, in respect of any Minimum Volume, the difference between the level of that Minimum Volume and the Actual Volume achieved by the Client in respect of that Minimum Volume.

'SMS' means a short messaging service used for sending short messages of up to 160 characters (224 characters if using a 5-bit mode) to mobile devices, including cellular phones, smartphones and personal digital assistants;

'Special Terms and Conditions' means any special terms and conditions agreed between the parties;

'Standard Service Packet' unless otherwise defined in Part 2, means a Parcel which weighs less than 1 kg which is subject to an Outward Delivery with the Standard Service as set out in Part 2;

'Standard Service Parcel' unless otherwise defined in Part 2, means a Parcel which weighs more than 1kg and less than 15kg with a maximum length of 1.20m for its largest single dimension (usually length) or has combined dimensions not in excess of 2.25m, calculated using its largest single dimension plus two times each of its other dimensions;

'Sub-Contractor' means any third party to which Hermes subcontracts the provision of the Services or any part of them pursuant to clause 2.3 which shall include, without limitation, any Courier;

'Sunday Service' means Outward Deliveries to Customers on a Sunday (except on a public holiday) between 10am and 6pm;

'Term' means the duration of the Contract;

'UK Mainland' means England, Wales, Isle of Wight, Scotland excluding Highlands and Islands and Isle of Man;

'Underutilisation Fee' means the compensatory fee referred to in Clause 3.6 OF Part 2;

'Working Day' means any day from Monday to Friday (inclusive) which is not Christmas Day, Boxing Day, New Year's Day or a Bank Holiday; and

'Year of the Contract' means any period of twelve consecutive months, from the Commencement Date or an anniversary of the Commencement Date during the Term.

1.2 In the Contract:

1.2.1 the masculine includes the feminine and the neuter;

1.2.2 the singular includes the plural and vice versa;

1.2.3 a reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended by any subsequent statute, enactment, order, regulation or instrument or as contained in any subsequent re-enactment or consolidation thereof;

1.2.4 headings are included for ease of reference only and shall not affect the interpretation or construction of the Contract;

1.2.5 references to clauses, schedules and clauses are, unless otherwise provided, references to clauses, schedules, clauses or schedules to the Contract; and

1.2.6 In the Contract, the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word "include" and its derivatives shall be construed accordingly.

2 Hermes' Obligations

2.1 Subject to the Client's performance of its obligations as set out in clause 3, Hermes shall provide the Services to the Client for the Term.

2.2 Hermes shall use reasonable endeavours to perform the Services in accordance with the Service Levels.

2.3 Hermes may sub-contract the provision of the Services to any Sub-Contractor in order to carry out its obligations to the Client under the terms of the Contract.

2.4 Hermes and its Sub-Contractors shall not use the Data for any purpose other than to perform their respective obligations under the Contract.

2.5 Hermes shall keep the Data in a safe and secure place (or if held electronically Hermes shall ensure it has appropriate electronic security systems in place) and shall return it to the Client (or if held electronically Hermes shall ensure all files containing Data are deleted and shall provide written confirmation of this to the Client) as soon as reasonably practicable on termination of the Contract.

2.6 Hermes shall perform and provide the Services in accordance with good industry practice so that, inter alia, the Services do not have an adverse effect on the name, trading image or business of the Client.

2.7 Hermes shall not perform the Services in respect of Oversized Parcels and without prejudice to clause 3.5 may (at its sole discretion) return any Oversized Parcels to the Client or refuse to collect any Oversized Parcel from any Customer (as the case may be).

2.8 Save with Client's prior written consent Hermes shall not during the Term and for a period of one year following the Term hire, employ, solicit or entice away any employee of the Client who has been involved in the provision of the Services.

2.9 Where Hermes delivers Parcels to or collects Returns from ParcelShops and the Client requires use of ShopFinder Hermes grants to the Client a non-exclusive, non- transferrable, non-assignable, royalty free licence to link to, access and use ShopFinder for the purposes of the Contract and any such licence shall terminate immediately on the termination or expiry of the Contract (whichever is earlier).

2.10 Where Hermes delivers Parcels to or collects Returns from ParcelShops:

2.10.1 80% of ParcelShops shall have opening times during ParcelShop Working Days that are equal to or longer than 12 hours, such days and hours of operation to be in accordance with the opening hours of each ParcelShop as displayed on the ParcelShop finder for the time being; and

2.10.2 85% of ParcelShops shall be open on any day.

2.11 Hermes will not carry Dangerous Goods except where:

2.11.1 the Dangerous Goods are LQ; and

2.11.2 Hermes has given its prior written approval to carry the Dangerous Goods in the relevant LQ.

3 Client's Obligations

3.1 In consideration of Hermes' performance of the Services the Client shall pay the Charges.

3.2 The Client shall make available to Hermes any information necessary to enable Hermes to effectively provide the Services and such information, when provided by the Client to Hermes, shall be Data and such Data may include Personal Data.

3.3 Where the Parties have agreed a single Rate to apply to Standard Service Packets and Standard Service Parcels and/or Next Dar Packets and Next Day Parcels, the Client undertakes to achieve the proportionate percentage split between the total number of Standard Service Packets and Standard Service Parcels in each Year of the Contract as set out in Part 2.

3.4 The Client represents, warrants and undertakes that the Parcels and any goods contained therein shall comply with the Parcel Requirements at all times.

3.5 The Client shall indemnify and hold harmless Hermes against any liability, expense, claim, loss or damage which Hermes suffers as a direct or indirect result of the Client's breach of clause 3.4 including (for the avoidance of doubt) any damage or loss caused to parcels or goods belonging to third parties.

3.6 The Client shall notify Hermes of Hermes' failure to provide any of the Services within 28 days of Hermes' first network scan following receipt of the relevant Parcel(s) by Hermes.

3.7 Save with Hermes' prior written consent the Client shall not during the Term and for a period of one year following the Term hire, employ, solicit or entice away any employee of Hermes who has been involved in the provision of the Services.

3.8 The Client hereby provides Hermes and Hermes' personnel, vehicles and any Sub-Contractors with a licence to enter the designated area(s) of the Client's premises to enable Hermes to provide the Services. The Client shall provide free of charge suitable facilities for Hermes and its personnel and vehicles and Sub-Contractors to enable Hermes to deliver or collect Parcels from (as the case may be) the Client's premises.

3.9 The Client shall accept Returns in accordance with the relevant provisions of the Contract.

3.10 The Client:

3.10.1 undertakes to notify Hermes forthwith if any Parcel which Hermes is required to convey in performance of the Services is to be conveyed on behalf of a third party (other than any member of Client's company group); and

3.10.2 agrees that Hermes shall not be obliged to convey any such Parcel unless it consents in writing to do so.

3.11 The Client shall provide Hermes with a telephone number by which a representative of the Client may be contacted at any time during business hours on each day of each Year of the Contract so that Hermes may obtain precise details of the contents of any Parcel. The Client shall ensure that, where Hermes identifies a Parcel by its barcode, the representative of the Client accurately identifies the precise details of the contents of that Parcel.

3.12 The Client acknowledges that Hermes is not responsible for handling queries from Customers of the Client about Outward Deliveries or collections of Returns and the Client undertakes to provide to its Customers a telephone number by which the Client may be contacted at any time during business hours on each day of each Year of the Contract about delivery issues.

3.13 The Client undertakes that it shall, where goods being carried by Hermes pursuant to the Contract are subject to the WEEE Regulations, be solely responsible for compliance in all respects with the WEEE Regulations in respect of such goods.

3.14 If the Client is registered for the purposes of Jersey Goods and Services Tax ("Jersey GST") the Client shall on demand provide Hermes with its GST Registration Number.

3.15 For all Outward Deliveries of Parcels to be made to Jersey (Channel Islands) the Client must comply with the following obligations:

3.15.1 Jersey customs clearance requirements;

3.15.2 to provide Hermes with the total value of the Parcel and a description of the goods contained therein in respect of each and every Parcel to be delivered to a Customer of the Client in Jersey that forms a part of the Services;

3.15.3 to authorise Hermes and its agents to contact any Customer who is identified as having a liability to pay Jersey GST in respect of any Parcel which is the subject of the Services and to detain any such Parcel on behalf of Jersey customs until such time as all Jersey GST due has been paid; and

3.15.4 if at any time during the Term the Client is registered in Jersey for the payment of Jersey GST the Client shall provide Hermes with its Jersey GST number and customs import number.

3.16 For all Outward Deliveries of Parcels to be made to Guernsey the Client must comply with the following obligations:

3.16.1 Guernsey customs clearance requirements; and

3.16.2 to provide Hermes with the description of the goods contained therein in respect of each and every Parcel to be delivered to a Customer of the Client in Guernsey that forms a part of the Services and when requested by Hermes the value of goods in each Parcel.

3.17 The Client shall ensure that it meets the Minimum Vehicle Fill Requirement each collection day.

3.18 Where the Minimum Vehicle Fill Requirement is not met Hermes shall have the right (to be exercised at its sole discretion) to:

3.18.1 reduce the number and/or frequency of vehicles that are sent to the Client's premises (or the premises of the Client's representatives) for collection of the Parcels; and/or

3.18.2 amend the Rates at its sole discretion, upon serving 7 days' written notice to the Client.

3.19 Without prejudice to clause 3.18 (above) if (i) a Hermes vehicle arrives at the Client's premises as part of a scheduled collection but the Client has no Parcels for Hermes to collect or (ii) the Client cancels a collection while the relevant vehicle is en route to the Client's premises, and/or the Client requests an additional stand trailer to be provided at its premises, Hermes shall be entitled to invoice the Client for the sum of £500 for each such attempted collection or cancellation or for each day which the stand trailer remains on site unless the collection is attempted or the cancellation made during the Peak Period, in which case Hermes shall be entitled to invoice the Client for the sum of £550.

3.20 Where Hermes has agreed to carry Dangerous Goods pursuant to clause 2.11 the Client shall ensure that the relevant Parcels comply with the Parcel Requirements and shall, on reasonable request by Hermes, take part in on-going assessments by Hermes of its procedures in relation to carrying Dangerous Goods in the relevant LQ in performance of the Services.

3.21 Where the Client requires Hermes to make Outward Deliveries that are designated as being 'Next Day' then any Parcels that are subject of any such Outward Deliveries shall be presented to Hermes by the Client as separated from all Parcels in respect of which the Outward Deliveries are not 'Next Day'.

3.22 The Client shall pay to Hermes the Bond set out in Part 2 prior to the commencement of Services and Hermes shall hold the Bond in a bank account that is separate from its trading bank account. Hermes shall be entitled to use the Bond to pay any invoice that remains unpaid after the expiry of the payment period set out in Part 2.

4 Condition Precedent, Forecasting & Hermes' Property

4.1 It shall be a condition precedent of the Contract that the Client shall provide the Annual Plan for the first Year of the Contract at least 8 weeks prior to the Commencement Date.

4.2 The Client shall prepare accurate and reliable Annual Plans and Forecasts based on the best information that it has in accordance with good industry practice. The Client accepts that inaccurate or unreliable Annual Plans and Forecasts may limit Hermes' ability to provide the Services.

4.3 Forecasts shall be given in writing or, if given orally, confirmed in writing. The Client shall prepare each Forecast in accordance with good industry practice.

4.4 The Client shall provide to Hermes an Annual Plan at least 12 weeks before each Review Date.

4.5 The Client shall provide to Hermes weekly a rolling 6 week Forecast, showing variation from the Annual Plan.

4.6 The Client shall by the end of July each Year (or such other agreed date) of the Contract provide to Hermes a Forecast for each Working Day during Peak Period of the anticipated volume of Parcels that in respect of which the Client will require Hermes to perform the Services (the "Peak Volume Forecast"). Where the Client has more than one (1) warehouse from which Hermes collects Parcels, any such Peak Volume Forecast shall be split between the warehouses from which Hermes shall collect the Parcels.

4.7 As soon as reasonably practicable after receipt of the Peak Volume Forecast (referred to in clause 6.6 above) from the Client and in any case by no later than 31 August (or such other agreed date) in any Year of the Contract the Client and Hermes shall use their reasonable endeavours to agree a plan showing the number of vehicles to fulfil the forecasted volumes in each Working Day of the Peak Period ("Peak Vehicle Plan").

4.8 Subject to clause 4.9 or unless the Client and Hermes agree that Hermes shall send a vehicle so that it arrives later than the time set out in the Peak Vehicle Plan, Hermes shall use reasonable endeavours to send vehicles to the Client in accordance with the Peak Vehicle Plan.

4.9 Where the number and/or time of vehicles to be sent on any particular Working Day in accordance with any Forecast given by the Client pursuant to clause 4.5 (an "Inter-Peak Forecast") conflicts with the number and/or time of vehicles to be sent by Hermes for that Working Day as stated on the Peak Vehicle Plan, the Inter-Peak Forecast shall have precedence over the Peak Vehicle Plan and Hermes shall use reasonable endeavours to send the vehicles required by any such Inter-Peak Forecast for the Working Day.

4.10 Hermes reserves the right to remove any vehicles that have been sent to the Client if Hermes reasonably believes that the Client has no need for them on the day in question for the delivery of the Services.

4.11 Hermes may provide the Client with containers including folding and stackable plastic containers (known as magnums), wheeled roll cages, plastic pallet collars, plastic sleeves and bases (known as boxer packs) and large metal cages (known as BCA cages). All of these items will be referred to as "Hermes' Property".

4.11.1 Title in Hermes' Property that Hermes has delivered to the Client shall not transfer to the Client. The Client must keep Hermes' Property in a secure location, in good condition and use it only for the purposes of sending Parcels to Hermes. The Client will not (and will not allow anyone else to) remove Hermes' Property from its premises or transport it to any other site or third party without Hermes' prior written (which shall include email) permission.

4.11.2 The Client will not tamper with or remove any electronic tracking equipment that Hermes may have installed on Hermes' Property.

4.11.3 If there is any loss or theft of, or damage (beyond fair wear and tear) to Hermes' Property, the Client shall be liable to surcharges representing the full replacement value of such property. Any damaged Hermes' Property must be returned to Hermes and not be disposed of by or on behalf of the Client.

4.11.4 Hermes may give notice that it will collect any or all of Hermes' Property from the Client's premises (the costs of such collection will be borne by the Client, as set out below) if in its reasonable opinion the Client is in breach of clause 4.11. Hermes may also ask for its property to be made available for any reason after giving the Client at least 7 days' notice.

4.11.5 If the Client cannot, when requested, make any Hermes' Property available for collection Hermes then Hermes may serve written notice (which shall include email) that such property must be returned within 7 days of such notice. If such property is still not made available after expiry of the 7 day notice period Hermes reserves the right to charge the Client any or all of the following costs:

(i) A recovery charge of £250 (or other such charge notified to the Supplier by Hermes from time to time) per vehicle dispatched to collect the Hermes' Property if Hermes is able to access and recover the property from the Client's premises;

(ii) The full replacement value of the Hermes' Property (the replacement values as at April 2019 are set out below which the Client acknowledges and agrees are subject to change at Hermes' sole discretion), including any tracking equipment installed on Hermes' Property if Hermes is unable to access the Hermes' Property;

- Asset tracker and roll cage in the total sum of £132
- Magnum - £155 each;
- Collar - £20 each;
- BCA cage - £300 each;
- Boxer pack - £130 each; and
- Any administrative costs incurred pursuant to the application of this clause 4.11.5.

4.11.6 Any subsequent misuse of Hermes' Property may result in Hermes at its option ceasing its supply of Hermes' Property and thereafter requiring "loose" loading of vehicles

4.11.7 If the Client is in possession of Hermes' Property and no longer requires it, the Client shall contact Hermes' Client Manager who will arrange for such property to be collected from the Client.

5 Audit

5.1 To satisfy itself that the Client complies with the terms of this Contract, Hermes may carry out Audits of Parcels presented by the Client to Hermes for Outward Delivery from time to time.

5.2 Regardless of any such Audit, it is the Client's responsibility to ensure that it has accurately declared the weights and dimensions of the Parcels in the pre-advice file (or other documentation as agreed between the parties).

5.3 The Client shall provide all reasonable assistance that Hermes requires with any such Audit, including but not limited to responding fully and promptly to any reasonable requests that Hermes makes for information or documentation.

5.4 Where Hermes undertakes an Audit and identifies Non-Compliant Parcels Hermes will charge the Client (and the Client shall pay) in respect of each Non-Compliant Parcel identified in any Audit the difference between the applicable Rate of the actual weight and/or dimensions of the Parcel and the Rate of the declared weight and/or dimensions of the Parcel on the pre-advice file. Hermes may charge the Client £0.50 per Non-Compliant Parcel (or other such charge notified to the Supplier by Hermes from time to time) for the costs and expenses of undertaking such Audit and/or a fee to cover any consequential administrative costs associated with correcting the Non-Compliant Parcel.

6 Term and Termination

6.1.1 This Contract shall start on the Commencement Date and shall, subject to earlier termination in accordance with its terms, continue in effect subject to clause 6.2 until it is terminated by either party giving to the other not less than 26 weeks written notice to terminate, such notice not to expire before the end of the Initial Period.

6.1.2 The Rates shall automatically increase by £0.15 per Parcel at the expiry of the Initial Period unless the Initial Period is extended.

6.2 The following breaches are fundamental and shall entitle Hermes forthwith to serve notice terminating the Contract on the Client and thereupon the Contract shall terminate forthwith immediately and absolutely and shall cease to have effect but without prejudice to the rights and remedies of Hermes in respect of any breach or antecedent breach by the Client of the Contract:

6.2.1 failure on the part of the Client to make any payment due to Hermes under the Contract for 30 days after such payment has become due;

6.2.2 failure on the part of the Client to perform any of its other obligations under the Contract and such failure, if capable of remedy, is not remedied within 30 days of receipt of notice of such failure from Hermes;

6.2.3 the voluntary or compulsory liquidation of the Client (except for the purposes of amalgamation or reconstruction and in such manner that the company resulting therefrom effectively agrees to be bound by or assume the obligations imposed on the Client under the Contract);

6.2.4 a receiver or administrative receiver being appointed over any of the property or assets of the Client;

6.2.5 the Client making any voluntary arrangement with its creditors or becoming subject to an administration order or an administrator is appointed in respect of it;

6.2.6 anything analogous to anything contained in 6.2.3, 6.2.4 or 6.2.5 under the law of any jurisdiction occurs in relation to the Client; or

6.2.7 the Client ceases, or threatens to cease, to carry on business.

6.3 Without prejudice to any other rights and remedies it may have under the Contract Hermes reserves the right to suspend the Services if the Client is in breach of the Contract.

6.4 In the event that a competitor of Hermes assumes control of the Client or becomes its holding company or subsidiary of such party Hermes may within 90 days of such change of control occurring serve not less than 90 days' notice on the Client terminating the Contract and thereupon the Contract shall on expiry of such notice terminate immediately and absolutely and shall cease to have effect but without prejudice to the rights and remedies of Hermes in respect of any breach or antecedent breach by the Client of any of its obligations under the Contract.

7 Termination Consequences

7.1 In the event of the Contract being terminated whether by notice, breach or otherwise the Client shall forthwith pay to Hermes all arrears of the Charges and any other sums due under the terms of the Contract.

7.2 The termination of the Contract shall not affect or prejudice the rights and remedies of the parties under the Contract.

8 Limitation of Liability

8.1 This clause 8 sets out the entire financial liability of Hermes (including any liability for the acts or omissions of its employees, agents, consultants and subcontractors) to the Client in respect of:

8.1.1 any breach of the Contract however arising;

8.1.2 any use made by the Client of the Services, or any part of them; and

8.1.3 any representation, statement or tortious act or omission (including negligence) arising under or in connection with the Contract.

8.2 All warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Contract.

8.3 Nothing in the Contract limits or excludes the liability of Hermes for death or personal injury resulting from negligence or any damage or liability incurred by the Client as a result of fraud or fraudulent misrepresentation by Hermes.

8.4 Subject to clause 8.3 Hermes shall not under any circumstances whatsoever be liable for loss of profits, loss of business, depletion of goodwill and/or similar losses, loss of anticipated savings, loss of goods (save as otherwise provided for in the Contract), loss or corruption of Data or information, any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses, loss of operation time, even if Hermes has been advised of their possibility.

8.5 Subject to clause 8.3, Hermes' liability to the Client in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with the performance or contemplated performance of the Contract shall be limited as follows:

8.5.1 subject to clause 8.5.2 and 8.7, Hermes shall not be liable for any damage to parcels and shall only be liable for Parcels Lost in Transit where the parties have agreed and such agreement together with the limit of Hermes' liability is stated in Part 2 of the Contract;

8.5.2 the exclusion and limitation of liability referred to in clause 10.5.1 shall not apply to Parcels Lost In Transit or damaged in transit that are lost or damaged in any single incident involving a known cause (e.g. a vehicle fire) for which Hermes is directly or indirectly responsible, in any such case Hermes' liability shall be limited for each Parcel that has been so Lost in Transit or damaged in transit to the lesser of £25 and the cost price to the Client for the Parcel in question.

8.5.3 for physical damage to or loss of Client's tangible property excluding Parcels (without prejudice to any agreement between the parties in respect of Parcels Lost in Transit to which clause 8.5.1 shall apply) to the lesser of the aggregate amount received by Hermes from the Client under the Contract at the date of the physical damage, or £1,000,000;

8.5.4 for all other circumstances, and in the aggregate, to the greater of £10,000 and six (6) times the average Charges received by Hermes from the Client in each Invoice Period during the Term.

8.6 Subject to clause 8.3, if and to the extent that the Client prevents or delays Hermes from performing any obligation under the Contract, Hermes shall neither be in breach of the Contract nor liable for any of the consequences of the failure.

8.7 Hermes will not be liable for Parcels Lost in Transit unless it accepts (such acceptance shall not be unreasonably withheld or delayed) it has lost the Parcel in question.

9 Title, Risk and Insurance

9.1 Title and risk in the Parcels and the goods contained therein shall not transfer to Hermes at any time.

9.2 The parties shall maintain at their own cost, comprehensive policies of insurance to cover liability in respect of any act or default for which they may become liable under the terms of the Contract.

10 Force Majeure

10.1 Save in respect of any payment obligations neither party shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or failure to perform any of its obligations under the Contract if the delay or failure was beyond that party's reasonable control (including, without limitation any strike, lockout or other industrial action, act of God, endemic, pandemic, natural disasters, extreme weather conditions, war or threat of war, accidental or malicious damage, or prohibition or restriction by governments or other legal authority).

10.2 If either party claims to be unable to perform its obligations under the Contract (either on time or at all) in any of the circumstances set out in clause 10.1 it shall as soon as reasonably practicable notify the other party of the nature and extent of the circumstances in question.

10.3 Where such circumstances continue for more than one month (or any other period agreed in writing between the parties), or the parties agree in writing for the purposes of this clause that such circumstances are likely to continue for more than two months, either party shall be entitled to terminate the Contract by giving not less than 30 days written notice to the other party.

11 Confidentiality

During the Term or at any time following the Term the parties shall not divulge or allow to be divulged to any third party any Confidential Information relating to the business or affairs of the other party and each party shall only use any such Confidential Information for the purposes of complying with its obligations under the Contract.

12 Data Protection

12.1 Where Hermes acts as a Data Processor in relation to Client Personal Data this clauses 12 shall apply.

12.2. Processing - [Art 28, GDPR]

12.2.1 Hermes is a data processor (or sub-processor) acting on the Client's behalf and shall process Client Personal Data in accordance with the provisions of this Agreement and the Client's documented instructions and only where necessary to provide the Services, promote the Play for Retailer services, and any improvements thereto including means of communicating with Customers for the purpose of effecting a successful delivery or collection and confirming the level of satisfaction the Customers have with the Services (the "Purpose").

12.2.2 The Client warrants that it has the right and has obtained all necessary consents and registrations to process the Client Personal Data and that the processing by Hermes of Client Personal Data on behalf of the Client will not thereby be in breach of the Data Protection Legislation.

12.2.3 The subject matter and duration of the Processing of Client Personal Data is set out in this Agreement and the context and purpose for the Processing of Client Personal Data is the Purpose.

12.2.4 The Client Personal Data that Hermes may Process is Customer names, addresses and associated information required for the Purpose. The Data Subjects are the Customers.

12.2.5 Hermes shall comply with and Process all Client Personal Data in accordance with applicable Data Protection Legislation.

12.2.6 Hermes shall co-operate and assist the Client with any privacy impact assessments and consultations with (or notifications to) relevant regulators that the Client reasonably considers are

relevant pursuant to Data Protection Legislation in relation to the Client Personal Data and the Services.

12.2.7 Hermes shall procure that its personnel are obligated to maintain the security and confidentiality of any Client Personal Data as provided in this Agreement.

12.2.8 Hermes shall promptly forward to the Client and otherwise co-operate with and assist Hermes at no charge with any requests from Data Subjects for any Client Personal Data pursuant to Data Protection Legislation.

12.2.9 Hermes shall at the Client 's option, delete (unless required by Applicable Laws) or return all copies of Client Personal Data and cease Processing such Client Personal Data after the business purposes for which the Client Personal Data was Processed have been fulfilled, or earlier upon the Client's written request.

12.2.10 Hermes shall maintain a record of all categories of Processing activities carried out on behalf of the Client which shall be made available to the Client upon request.

12.3. Disclosure

12.3.1 Hermes will not disclose Client Personal Data outside of Hermes except: (i) as the Client directs (including as permitted under this Agreement); or (ii) as required by GDPR.

12.3.2 In the event that the Supplier receives any request for disclosure of Client Personal Data by a law enforcement person or agency Hermes will, to the extent allowed by GDPR at no additional charge promptly notify the Client and provide a copy of the request and if compelled to disclose Client Personal Data to law enforcement, then Hermes will do so unless prohibited by GDPR from doing so.

12.4. Security - [Arts 28 and 32 GDPR]

Hermes has implemented and will maintain throughout the term of this Agreement appropriate technical and organizational measures, internal controls and information security routines intended to protect Client Personal Data against accidental, unauthorized or unlawful access, disclosure, alteration, loss, or destruction. These shall at all times:

- i) be of at least the minimum standard required by Data Protection Legislation; and
- ii) be of a standard no less than standards compliant with good industry practice for the protection of Personal Data;

to ensure a level of security for the Client Personal Data appropriate to the risk.

12.5. Notification And Incidents - [Arts 33 and 34]

If Hermes becomes aware of or reasonably suspects that any Security Incident has occurred, Hermes will without undue delay:

- i) notify the Client of the Security Incident;
- ii) investigate the Security Incident and provide the Client with detailed information about the Security Incident including making available a suitably senior, appropriately qualified individual to discuss any concerns or questions the Client may have;
- iii) take reasonable steps to mitigate the effects and to minimise any damage resulting from the Security Incident to the extent that such mitigation is within the Hermes' control as well as reasonable steps to prevent a recurrence of such Security Incident.

12.6. Subcontractors - [ART 28, GDPR]

12.6.1 The Client acknowledges and consents to Hermes permitting Sub-Contractors to Process Client Personal Data strictly subject to the terms of this Agreement and providing that Hermes shall notify the Client of any intended change concerning the addition or replacement of any subprocessor within a reasonable period before such addition or replacement.

12.6.2 The Client acknowledges that Hermes entered into an agreement with a Sub-Contractor for the supply of HHTs and/or managed services in respect of such HHTs and the Client agrees to the processing of the Client's Personal Data pursuant to such agreement and any replacement agreement as set out in clause 12.6.4.

12.6.3 The Client acknowledges that Hermes has and may enter into agreements with Sub-Contractors to provide back office customer support, software support and development services, analytics services and related support services to Hermes and this will involve the transfer of Client Personal Data outside of the European Economic Area. The Client agrees to the processing of such Client Personal Data subject to Hermes compliance with clause 12.6.4 and clause 12.7.

12.6.4 Hermes shall ensure that Sub-Contractors shall be contractually bound to the same obligations with respect to the Processing of Client Personal Data as to which Hermes is bound by this Agreement relating to security and audit and otherwise.

12.6.5 Hermes is fully liable to the Client for any acts or omissions of the Sub-Contractor in regard of its Processing of Client Personal Data.

12.7. Transfer Of Data

12.7.1 Save as set out herein, or as the Client may otherwise authorise, Hermes will not transfer to any third-party Client Personal Data.

12.7.2 Hermes (or any Sub-Contractor) shall only transfer Client Personal Data from the UK or EU to a country outside the European Economic Area ("EEA") where:

- i) the entity receiving the Client Personal Data is located in a territory which is subject to a current finding by the European Commission under applicable Data Protection Legislation that it provides adequate protection for Personal Data;
- ii) Hermes and the entity receiving the Client Personal Data has entered into the Model Clauses or is subject to an alternative mechanism approved by relevant authorities pursuant to Data Protection Legislation to the extent that such Model Clauses or other mechanism continue to be recognised and accepted by the relevant authorities as a legitimate basis for transfer of Personal Data; or
- iii) the necessary statutory approvals required to be obtained by Hermes (or Sub-Contractor) as a data processor (or sub-processor), if any, have all been obtained to enable the transfer of the Client Personal Data.

12.7.3 Where the Client (as opposed to Hermes or Sub-Contractor) is the exporting entity, Hermes shall procure that the entity receiving the Client Personal Data enters into Model Clauses with the Client prior to any such transfer taking place. Where Hermes is itself the importing entity receiving the Client Personal Data, it shall itself enter into the Model Clauses with the Client under this clause.

12.7.4 To the extent that any Processing of Client Personal Data by Hermes (or Sub-Contractor) pursuant to this Agreement may involve the transfer of such Client Personal Data out of the country in which it is held and such transfer is not covered by clauses 12.7.2 or 12.7.3, Hermes (or any Sub-Contractor) shall only transfer that Client Personal Data where any measures required under Data Protection Legislation are in place and remain valid.

12.8. Audit - [Art 28(3)(H), GDPR]

Subject to reasonable written advance notice, Hermes shall permit the Client and/or a qualified representative (subject to reasonable and appropriate confidentiality undertakings) to conduct during normal working hours periodic security scans and audits of Hermes' (or its Sub-Contractors') systems and processes in relation to the Processing of Client Personal Data and shall comply with all reasonable requests or directions by the Client to verify and/or procure that Hermes is in full compliance with its obligations under clauses 12.2 to 12.7 (inclusive).

13 Notices

13.1 Any notice to be given by either party to the Contract shall be in writing and delivered personally or by prepaid registered post to the Company Secretary to the address of the registered office of the party in question.

13.2 Any notice sent by prepaid registered post shall be deemed served 48 hours after posting to an address in the United Kingdom or, where served by airmail, 5 days after posting to an address outside the United Kingdom.

13.3 Notice given by email shall not be effective service in any legal action or arbitration.

14 Disputes

14.1 Any dispute between the parties which arises out of or in connection with the Contract shall be escalated by the parties as appropriate to the dispute in question.

14.2 If the parties fail to resolve any dispute in accordance with clause 14.1 the dispute may be referred to the Courts of England and Wales.

14.3 Notwithstanding the foregoing, this clause shall not be construed to limit or to preclude either party from bringing any action in any court of competent jurisdiction for specific performance injunctive or other conservatory and/or provisional relief as such party deems to be necessary or appropriate to compel the other party to comply with its obligations under the Contract.

15 Whole Agreement

15.1 This Contract contains the entire agreement between the parties in respect of its subject matter and supersedes all previous agreements and understandings between the parties relating to any of the Services and may not be modified except by an instrument in writing signed by the duly authorised representatives of both parties.

15.2 Each of the parties acknowledges and confirms that it does not enter into the Contract in reliance upon any representation or warranty or other undertaking not fully reflected in the terms of the Contract and neither of the parties shall have any liability in respect of any representation, warranty or other undertaking made prior to the date hereof unless such representation, warranty or other undertaking was made fraudulently.

16 Waiver

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

17 Severance

If any provision of the Contract is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable or indications to that effect are received by either of the

parties from any competent authority, the parties shall amend that provision in such reasonable manner as achieves the intention of the parties without illegality, and for the avoidance of doubt if any term is declared to be void, voidable, illegal or otherwise unenforceable the remaining terms of the Contract shall remain in full force and effect as if that term, condition or provision had not originally been contained in the Contract.

18 Assignment

The Contract is personal to the parties and neither of them may transfer assign or otherwise dispose of any of its rights and obligations under the Contract without the prior written consent of the other party save that Hermes may assign or otherwise transfer its rights and obligations under the Contract to any member of Hermes group.

19 Precedence

19.1 Part 2 of the Contract shall have precedence over any provisions in the Contract that conflict with them and, to the extent that there is any other conflict between the provisions of one part of the contract and the provisions of another part of the Contract or the Special Terms and Conditions, the following order of precedence shall apply:

19.1.1 the Special Terms and Conditions shall have precedence over Parts 3, 4 and 5 of the Contract;

19.1.2 terms and conditions of this Part 5 shall have precedence over 3 and 4 of the Contract; and

19.1.3 the parcel requirements set out in Part 3 shall have precedence over the service description in Part 4 of the Contract.

20 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to the Contract shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to rely upon or enforce any term of the Contract provided that this does not affect any right or remedy of the third party which exists or is available apart from that Act. No party may declare itself as a trustee of the rights under the Contract for the benefit of any third party save as expressly provided in the Contract

21 No Partnership, Agency etc.

Nothing in the Contract is intended to create a partnership or the relationship of principal and agent or employer and employee between the parties. Neither party has the authority or power to contract in the name of or to create a liability for the other in any way or for any purpose.

22 Governing Law

This Contract shall be governed by the laws of England in every particular including (without limitation) formation and interpretation and shall be deemed to have been made within England. The parties submit to the exclusive jurisdiction of the Courts of England and Wales.