

CONTRACT FOR THE HIRE AND SERVICE OF GOODS

1. Definitions

In these Conditions:

"The Conditions" means the standard terms and conditions of hire and service set out in this document.

"The Items" means the general linen, towels, sheets, pillowcases, work clothing, equipment and any other items whatsoever supplied on rental terms under this Agreement by CTS including but not limited to those specified overleaf.

"The Additional Items" means the general linen, towels, sheets, pillowcases, work clothing, equipment and any other goods whatsoever supplied by CTS to the Customer in accordance with Clause 4 hereof.

"The Non-Stock Goods (Dedicated)" means garments or embroidered items of linen supplied for the Customer's EXCLUSIVE use.

"The Customer's Own Goods" means items for which CTS provides the Services but which are not owned by CTS.

"The Services" means the installation and maintenance of equipment and the delivery, collection, general cleaning, laundering, dry cleaning, and processing of the items and/or the Customer's Own Goods.

2. Basis of Hire of Items and Provision of Services

- (i) CTS agrees to hire the items to the Customer and to provide Services in respect of the items subject to the Conditions.
- (ii) Providing Services in respect of the Customer's Own Goods will be at CTS's discretion and the provision of those Services shall be governed by these Conditions.
- (iii) The quoted sizes, colour shades and other specifications for the items are based on new items and the Services are provided on the basis that the items may be subject to shrinkage, fading or other change during processing.

3. Payment

- (i) The Customer will pay the invoiced charges for hire of the items and provision of the Services within 28 days of the date of CTS's invoice.
- (ii) If the Customer fails to make any payment on the due date then, without prejudice to any other right or remedy available to CTS, CTS shall be entitled to: cancel the contract or suspend further deliveries of the Goods or provision of the Services to the Customer, and charge the Customer interest (both before and after any judgement) on the amount unpaid at the rate of 5% per annum above Barclays base rate from time to time. CTS reserve the right to out source all outstanding accounts to a private debt collection agency and customers will be liable for any of the cost incurred. These currently stand at 20% of the overdue balance. Please note that County Court costs and fees may also be levied.
- (iii) CTS may increase laundry and rental prices at any time, giving one month's notice to the Customer.

4. Revision of Rentals and Services

At the Customer's request, CTS may at its discretion agree to supply by way of hire/rental Additional Items. The provision of the Additional Items and the Services in respect thereof shall be governed by the Conditions.

5. Risk in the Items

- (i) The Customer shall be responsible for risk of damage or loss to the items at all times whilst they are in its control and/or at its premises. The Customer is responsible for taking out insurance to cover any such loss or damage.
- (ii) Any items which are lost, damaged or otherwise become unserviceable whilst in the control of the customer will be charged to the customer at THEIR REPLACEMENT COST.

6. Duties of CTS

CTS shall during the continuance of this Hire and Service Agreement: Maintain the items in serviceable and satisfactory condition and provide the services to a reasonable standard.

7. Non-Stock Goods

The Customer will purchase the Non-Stock Goods at their residual value, calculated on a 2 year straight line depreciation basis, if no longer required by the Customer or this Hire and Service Agreement is terminated.

8. Duties of the Customer

The Customer shall during the continuance of this Hire and Service Agreement.

- (i) Permit CTS at all reasonable times to enter its premises for the purpose of checking and where necessary removing any of the items.
- (ii) Report and confirm in writing any discrepancy between the items received by the Customer and the items specified in any delivery note or other document accompanying delivery, within 24 hours of delivery. No responsibility will be accepted by CTS for short delivery if they do not receive the proper notification.
- (iii) Ensure that no one other than CTS provide maintenance and services in respect of the items.
- (iv) Be responsible for installing clean roller towels in any cabinets.
- (v) If intending to make a claim against CTS for any failure to provide Services to the correct standard notify CTS of any complaint within 2 days of the date of delivery or (where the failure was not apparent on inspection) within a reasonable time after discovery of same. If the Customer does not notify CTS accordingly CTS shall have no liability for such failure.

9. Ownership

The items shall at all times remain the property of CTS and the Customer undertakes not to deal with the items in any way which may be prejudicial to CTS's rights of ownership.

10. Termination

- (i) If the Customer shall fail to pay rental or other sum payable under this Hire and Service Agreement within 14 days of its becoming due (whether demanded or not) or shall commit a breach of other terms and conditions whether express or implied of this Hire and Service Agreement (or of the terms and conditions of any such agreement as aforesaid) then in each and every such case the Customer shall be deemed to be in fundamental breach of this Hire and Service Agreement and CTS may thereupon or at any time within 3 months thereafter by notice in writing to the Customer for all purposes forthwith terminate this Hire and Service Agreement.
- (ii) The Customer shall upon any termination under clause 10 (i) above pay to CTS:
 - (a) all arrears of rental then due and all other sums accrued due and unpaid at the date of termination, together with interest thereon payable under clauses 3(ii)(b) hereof; and
 - (b) compensation for the loss suffered by CTS as a result of such termination, equal to the balance of charges due under this Hire and Service Agreement for the rest of the Hire and Service period less a deduction of 25% to represent the cost of service thereby saved; and
 - (c) any other sums which are or become due to CTS or to which CTS is entitled by way of damages.The termination of this Hire and Service Agreement shall not affect any rights of CTS or the liabilities of the Customer subsisting at the date of termination.

11. Force Majeure

- (i) Although CTS will use all reasonable endeavours to discharge its obligations under this Hire and Service Agreement in a prompt and efficient manner, it does not accept responsibility for any failure or delay caused by circumstances beyond its control.
- (ii) At each Bank Holiday CTS will either inform the Customer of alternative delivery days, deliver by agreement on the due day or ensure the Customer has sufficient stock to render delivery unnecessary.

12. Change of Ownership

Any change of ownership or trading name by the Customer must be notified to CTS immediately.

13. Limitation of Liability

CTS will not be liable to the Customer by reason of any representation or any condition or term of this Hire and Service Agreement for any consequential loss or damage, costs, or expenses which arise out of the supply of the items and/or the Additional Items and/or the Non-Stock Goods or the provision of the Services.