Shed.

TERMS & CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 The following words and phrases used in these Terms shall have the following meanings, except where the context clearly requires otherwise: "the Client" means a client of Shed who has instructed Shed to provide Services to it;

"Brand Assets**"** shall mean all final, approved visual and communicative elements created by Shed specifically for the Client under this Agreement, including but not limited to: All logos, wordmarks, icons, specific colour palettes, typography suites, and brand patterns, final layouts for stationery, packaging, signage, and digital assets.

"Confidential Information" means any information relating to Shed and/or the business carried on or proposed or intended to be carried on by Shed, including data, know-how, designs, photographs, drawings, specifications, samples, but excluding information which (a) is publicly available at the time of its disclosure or becomes publicly available (other than by a breach of this these Terms); (b) was lawfully in the possession of the Client (as can be demonstrated by its written records or other reasonable evidence) free of any restriction as to its use or disclosure prior to its being disclosed to the Client; (c) following its disclosure, becomes available to the Client (as can be demonstrated by its written records or other reasonable evidence) from a source other than Shed, which source is not bound by any duty of confidentiality owed, directly or indirectly, to Shed in relation to such Confidential Information; or (d) the Client can show (as can be demonstrated by its written records or other reasonable evidence) has been independently developed by the Client without access to or use of Shed's Confidential Information;

"Completion" means the date of completion of a Project which shall, unless the Client raises any material issues with the Deliverables, be the date fourteen (14) days after the date Shed notifies the Client that Shed regards the Project to be complete.

"Contract" means a contract entered between Shed and the Client for the provision of Services and comprising the Project Design Proposal and these Terms.

"Deliverables" means output of services, inc. premises completion following Completion.

"Designs" means all concept designs, artworks, plans, drawings, sketches, models, proofs and other materials prepared by or on behalf of Shed in connection with the Services.

"Effective Date" means the relevant Contract date.

"Fees" means the fees and charges payable by the Client to Shed for the Services.

"Force Majeure Event" means any event beyond Shed's reasonable control, including an act of God, local government or government, war, fire, flood, earthquake or storm, acts of terrorism, explosion, accident, civil commotion or industrial dispute.

“Good Industry Practice” means the level of skill and care reasonably expected from a competent service provider performing similar services under similar circumstances, based on generally accepted industry standards at the time the Services are provided.

“interior architecture and design” Professional services involving the design, planning, and modification of interior spaces, including spatial layout, construction elements, building systems coordination, and the selection of finishes, furnishings, equipment, and custom environmental graphics.

“Intellectual Property Rights” means all legal rights that protect creations of the mind and business identifiers. This includes rights in copyright (and moral rights), databases, software, patents, inventions, discoveries, designs, confidential information, domain names, website addresses, trade names, trademarks, service marks, brand presentation (get-up), goodwill, and the right to take action for passing off or unfair competition. These rights apply whether they are registered or unregistered and include all applications, renewals, extensions, and any similar or equivalent protections that exist now or may exist in the future anywhere in the world.

"Materials" means all materials and services required in connection with the Project and supplied to Shed by a Third Party, including without limitation all goods, fixtures, fittings, Third Party services and subcontracted items.

"Parties" means Shed and the Client collectively and "Party" shall mean either one of them as determined by the context.

"Premises" means the premises to which a Project relates and in relation to which the Services are to be performed.

"Project" means graphic and/or interior architecture project relating to a proposed scope of works.

"Project Design Proposal" means the design proposal for the Project in question.

"Services" means the design by Shed of a Project.

"Shed" means Shed London Ltd, registered in England and Wales No. 11061857 whose registered office is C/O Nicholson & Co Limited, 7 Ludlow Road, London, W5 1NX

"Terms" means terms and conditions of business.

"Third Party" means a person who is not a Party to a Contract.

1.2 A reference to a clause is a reference to a clause of these Terms.
1.3 Any phrase introduced by the terms “including”, “include”, “in particular”, “such as” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
1.4 A reference to a “person” is a reference to any individual, corporate or unincorporated body, partnership, firm, trust, foundation, association, club and/or any other person or entity (whether or not having separate legal identity).
1.5 Words importing the singular include the plural and vice versa and words importing a gender shall include all genders.
1.6 Reference to any statute, statutory provision or statutory instrument includes a reference to that statute, statutory provision or statutory instrument together with all rules and regulations made under them as from time to time amended, consolidated or re-enacted.

2. PROVISION OF SERVICES

2.1 In consideration of the payment by the Client of the relevant Fees, Shed will, from the Effective Date, provide the Services to the Client in accordance with these Terms.
2.2 Shed do not provide ‘as built’ design records whereby the construction of that project has been undertaken by a third party consultant or contractor, even if Shed act as client ‘Agent’ or lead designer for said project. Shed does not act as a ‘PD’ under CDM.
2.3 Client choice of build contract with a third party fit-out contractor can give legitimate cause for Shed to amend its provision of service & re-negotiate its professional fees accordingly at any time. (e.g. D&B versus Traditional)
2.4 Shed issue all design information in PDF format only and have no obligation to issue ‘source’ original computer design files to third parties typically but not limited to DXF. AI. PS. ID. DWG.

3. CHARGES AND PAYMENT TERMS

3.1 Fees shall be as stated in the Contract Proposal and relate only to that particular project. Should the Client wish to replicate the Deliverables under a different project the Client must seek Shed's consent and pay the appropriate licence fee to Shed, as per clause 4.2 and 4.3.
3.2 Fees are based on current costs and staff ‘day rates’ and are subject to amendment by Shed at any time before, on or after Acceptance if such amendment is necessary (in Shed's sole discretion) as a result of (a) a change to the Project requested by the Client; (b) delay on the part of the Client, extension of project programme, or some other act or omission of the project team; (c) an increase in overheads or expenses; (d) extra meetings taking place at the request of the Client and or Project Manager including as a result of a project programme extension regardless of cause; and/or (e) a Force Majeure Event.
3.3 The Client shall reimburse Shed in full or, at Shed's direction, pay directly to the relevant Third Party supplier, all fees, expenses, costs and any miscellaneous charges for materials.
3.4 Shed shall be entitled to apply and the Client shall pay an overhead recovery charge of twelve and a half per cent (12.5%) of the total value of the fees, costs and miscellaneous charges for Materials purchased for the client by Shed and/or Expenses rightfully incurred by Shed during this project.
3.5 Where Shed present percentage fee scales in a ‘banded’ structure, the highest fee ‘band’ will prevail should a project cost exceed or fall outside those ‘bands’.
3.6 Shed’s (percentage calculated) fees will be reconciled in line with the capital expenditure of the project in its entirety. Client agrees to total transparency in the reporting of real project cost regardless of whether an element falls within Shed design area or not. Fee’s will be reconciled at the end of each stage with sight of bona fide client cost disclosure.

3.7 The Client shall pay the amount set out in any invoice submitted by Shed to Client within fourteen (14) days of the date of such invoice.
3.8 All payments to be made by the Client to Shed shall be made in full, without any deduction, withholding, counterclaim, or set-off. Shed may at any time, without notice to the Client, set off any liability of the Client to Shed against any liability of Shed to the Client, whether any such liability is present or future, liquidated or un-liquidated, under the Contract to which the liability relates or not, and irrespective of the currency of its denomination.
3.9 Without prejudice to any other right or remedy that Shed may have, if the Client fails to pay Shed on the due date, Shed may (a) charge interest on such sum from the due date for payment at the annual rate of four per cent (5%) above the base lending rate from time to time of Barclays Bank Plc, accruing on a daily basis and being compounded quarterly until payment is made, whether before or after any judgment and Shed may claim interest under the Late Payment of Commercial Debts (Interest) Act 1998; and/or (b) suspend all Services until payment has been made in full.

4. INTELLECTUAL PROPERTY

4.1 All Intellectual Property Rights belonging to a Party prior to the Contract date will remain vested in that Party and where there are modifications to pre-existing Intellectual Property Rights which are inseparable from the pre-existing Intellectual Property Rights, then the Party which owns the pre-existing Intellectual Property Rights will also own the modifications.
4.2. All Intellectual Property related to the final approved brand identity (the "Brand Assets") derived from Brand design and Brand strategy services shall remain the sole and exclusive property of Shed until such time as the Client has paid all invoices related to services rendered for the project in full.

Conditional Assignment
Upon receipt of the final payment of the total Project Fee, Shed hereby automatically assigns, transfers, and conveys to the Client all worldwide copyrights, trademark rights, and other intellectual property rights in the Final Deliverables only. Prior to Final Payment: The Client is granted a temporary, revocable license to review the Brand Assets for approval purposes only. The Client shall have no right to use, publish, or distribute the Brand Assets in a commercial capacity until the Final Payment is cleared.

Excluded Assets (Rejected Concepts)
This assignment applies only to the final brand identity selected and approved by the Client. All other concepts, sketches, preliminary designs, and "rejected" versions created during the process remain the exclusive property of Shed. Shed reserves the right to utilise elements of these rejected concepts for other projects, provided they do not infringe upon the unique elements of the final Brand Assets assigned to the Client.

Third-Party Licenses
The Client acknowledges that the Brand Assets may incorporate third-party elements (such as licensed fonts or stock imagery). Assignment Limitation: Shed cannot "assign" ownership of property owned by third parties. Client Responsibility: Shed will provide the Client with a list of any required third-party licenses. The Client is responsible for purchasing and maintaining these licenses for their own use.

4.3 Shed shall retain all copyrights, trademarks, and other intellectual property rights in and to all in interior architecture and design concepts, drawings, specifications, and 3D models (the "Master Concept") created under this Agreement. All such Work Product is considered the proprietary property of Shed. Ownership of Work Product subject to Option **A, B and/or C.**

A. Grant of License
Upon receipt of full payment for the Concept Development Phase, Shed grants the Client an exclusive, non-transferable, and irrevocable license to use the Master Concept for the specific purpose of the brand rollout known as [Project/Brand Name]. This license is limited to the following: Initial Site(s): Use of the design for the initial site(s) located at [Address/Location]. Permitted Use: Modification and adaptation of the Master Concept for future locations, subject to the Reuse Fees outlined in Section B and C

B. Reuse Fees (The "Rollout" Royalty)
In consideration of the scalability of the Master Concept, the Client agrees to pay Shed a Reuse Fee for every additional location opened using the Master Concept (or any "substantially similar" derivation thereof) where the Designer is not retained for Full Interior Design Services.
Fee Amount: £[refer to contract fee structure]. (the "Site License Fee").
Payment Trigger: The Reuse Fee is due and payable no later than [30] days prior to the scheduled opening of each new location.
Audit Rights: Shed shall have the right, upon reasonable notice, to audit the Client's records to verify the number of locations using the Master Concept.

C. Intellectual Property Buy-Out Option
Notwithstanding the Licensing and Reuse Fee provisions in Options A and B, the Client shall have a one-time option to purchase the full ownership and copyright of the Master Concept (the "IP Buy-Out"). Exercise of Option C. The Client may exercise this Buy-Out option at any time by providing written notice to Shed and paying the Buy-Out Fee as defined below.

Buy-Out Fee Structure**:**
The Client shall pay Shed a lump sum based on the following schedule:

Early Buy-Out: If exercised within [12] months of the Effective Date: £[refer to contract fee structure].

Tiered Buy-Out: If exercised after [refer to fee structure] locations have opened: £[refer to contract fee structure].

Automatic Transfer: [Optional] Upon the opening of the [20th] location and the successful payment of all prior Reuse Fees, ownership shall automatically transfer to the Client for a nominal fee of £1.00. Effect of Buy-Out Upon receipt of the Buy-Out Fee.

4.4 Shed's trademarks and brands (and, other than as set out in clause 4.1, all other Intellectual Property Rights owned by Shed) shall not be used by the Client for any purpose without Shed's prior written consent and then only in an agreed manner.
4.5 The Client's trademarks and brands shall not be used by Shed for any purpose without the Client's prior consent. The Client hereby consents to Shed using the Client's trademarks and brands to the extent necessary to enable Shed to provide the Services to the Client.
4.6 The Client hereby consents to Shed publicly announcing its appointment as design consultant to the Client in respect of the Project. The Client also hereby consents to the creation and use by Shed of images and photographs of the Deliverables/Final Scheme for its own marketing or record purposes. Shed shall, at the request of the Client, provide the Client with copies of published press releases and publicity material in connection with the foregoing. Shed shall always be credited in any client self-promotion or PR in relation to the agreed works or relating project involvement.
4.7 For the duration of the Contract and for a period of 6 months thereafter the Client will permit Shed and all other persons authorised by Shed upon 72 hours written notice to enter the Premise and/or location of the Project between the hours of 9am and 5pm Monday to Friday to take and/or create photographs and/or images of the Deliverables, Project, Designs, Final Scheme for Shed's own marketing and/or record purposes. The Client authorises Shed without limitation to use any such photographs and images.

5. WARRANTIES AND INDEMNITIES

5.1 Shed shall perform the Services in accordance with Good Industry Practice.
5.2 Other than as set out in clause 5.1, all warranties, conditions, terms and representations (including warranties as to quality or fitness for a particular purpose) whether express or implied are excluded to the maximum extent permitted by law.
5.3 The Client has final responsibility for inspecting designs, FF&E specifications and the works of any Third Party, and Shed cannot be held responsible for any failure by the Client to do so.
5.4 If the Client requires Shed to deal on its behalf with Third Parties (such as manufacturers, contractors and FF&E suppliers), Shed shall do so only as agent for the Client, bearing no liability for the performance of that third party.
5.5 The Client warrants that, in respect of any works provided by the Client to Shed for incorporation by Shed into a Design or otherwise for use by Shed in connection with the Project or Shed's provision of the Services ("Works"), (a) the client is the owner of the Intellectual Property Rights in the Works or holds all necessary licences, permissions or consents required to enable Shed to use the Works as described above; and (b) the Works will not infringe the Intellectual Property Rights of any person.

6. RISK AND TITLE

6.1 The risk in and to Materials supplied to the Client shall pass to the Client on the date of delivery thereof.
6.2 The legal and beneficial title in and to the Materials shall pass to the Client on the date that Shed either (a) receives payment in full for such Materials; or (b) (if applicable) receives confirmation from the relevant Third-Party supplier that such Third-Party supplier has received payment in full for the Materials.
6.3 Shed unreservedly retain the right to publicise, promote and/or market the completed project or said Works through conventional PR and marketing channels. This relates to both trade and consumer channels. Client agrees Shed shall always be credited in any client self-promotion or PR in relation to the agreed works or relating project involvement.

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7. LIABILITY

7.1 Nothing in this clause shall limit or exclude Shed's liability for fraud or death or personal injury caused by its negligence or that of its employees, agents or subcontractors as applicable or any liability which cannot be lawfully excluded.
7.2 Subject to clause 7.1, in respect of each Contract, the aggregate liability of Shed to the Client (including Shed's liability to the Client as a result of Shed's deliberate breach of the Contract) whether arising from negligence, tort, breach of contract or other obligation or duty or otherwise shall be limited to 50 per cent (50%) of the total Fees actually paid by the Client to Shed under the relevant Contract.
7.3 Subject to clause 7.1, Shed shall have no liability whatsoever to the Client for any claim to the extent that such claim is or can be characterised as a claim for (or arising from) loss of revenue or profits, wasted management time, loss of business opportunity or loss of contracts, loss of goodwill or injury to reputation, consequential or special loss or damage, anticipated savings, loss of use or loss or corruption of data or information.

8. CONFIDENTIAL INFORMATION

8.1 The Client agrees (a) to keep Shed's Confidential Information strictly confidential; (b) not to use such Confidential Information for any purpose other than for the purposes of the relevant Contract; (c) to only disclose such Confidential Information to those of its employees, agents and professional advisors as need to know the Confidential Information for the purposes of the relevant Contract, provided that such employees, agents and professional advisors are under obligations of confidentiality that are no less strict than those contained in these Terms; and (d) not to disclose such Confidential Information to any Third Party without Shed's prior written consent.
8.2 The obligations of confidentiality contained in this clause shall continue in force until such time as the Confidential Information becomes public knowledge (other than by a breach of these Terms)

9. TERM AND TERMINATION

9.1 Each Contract shall automatically terminate on Completion of the relevant Project.
9.2 Shed shall have the right, without prejudice to its other rights or remedies, to terminate a Contract immediately by written notice to the Client, if (a) the Client becomes insolvent, is unable to pay its debts or is capable of being deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, has an order made or a resolution passed for its liquidation, administration, winding-up or dissolution (otherwise than for the purposes of a solvent amalgamation or reconstruction), has an administrative or other receiver, manager, trustee, liquidator, administrator, or similar officer appointed over all or any substantial part of its assets, enters into or proposes any composition or arrangement with its creditors generally, or if anything analogous to the foregoing occurs in any applicable jurisdiction; or (b) the Client is in breach of any material obligation under a Contract and, if the breach is capable of remedy, the Client has failed to remedy such breach within thirty (30) days of notice to do so.
9.3 Subject to clause 10 the Client shall have the right to cancel a Project prior to its Completion on thirty (30) days' notice to Shed.
9.4 Shed may terminate a Contract with immediate effect by serving on the Client a written notice if the Client alters the requirements for a particular Project such that it is impossible or commercially unattractive for Shed to complete the Project, there is significant change to the duration of the project programme and Shed and the Client have been unable to agree an alternative solution within thirty (30) days of notice from Shed that it regards the alteration(s) to render the Project impossible or commercially unattractive. Notwithstanding that Shed reserve the right to terminate a project with immediate effect by giving the client written notice. Clause 10.2 is still applicable.

10. CONSEQUENCES OF TERMINATION

10.1 On termination of a Contract the Client shall (a) return to Shed all Confidential Information, or copies thereof, which is in a form capable of delivery (b) erase all Confidential Information or copies thereof from any computer or device containing it; and (c) confirm to Shed that these actions have been taken.
10.2 The Client shall pay immediately to Shed in respect of the Services provided by Shed under the relevant Contract up to and including the termination date (a) all outstanding invoices; (b) a fair and reasonable sum for work done to the point of termination; (c) all expenses reasonably incurred; (d) all Third Party supplier costs; and (e) the cost of all Materials, together with any Third Party cancellation charges and, where the Contract is terminated under clause 9.3, all other losses, costs and expenses incurred by Shed which arise out of the termination.

11. GENERAL

11.1 Shed shall not be liable to the Client for any delay or non-performance of its obligations under a Contract to the extent such delay or non-performance arises from a Force Majeure Event or event/action out with Shed's absolute control.
11.2 Nothing in a Contract will be deemed to constitute a partnership between the Parties nor constitute either Party as the agent of the other Party for any purpose.
11.3 A waiver (express or implied) by one of the Parties of any of the provisions of these Terms or of any breach of or default by any other Party in performing any of those provisions, will not constitute a continuing waiver and that waiver will not prevent the waiving Party from subsequently enforcing any of the provisions of these Terms not waived or from acting on any subsequent breach of or default by any other Party under any of the provisions of these Terms.
11.4 Termination of the Contract will not affect the continuation in force of any provision of the Agreement which is expressly or by implication intended to continue in force after the termination.
11.5 The provisions contained in each clause and sub-clause of these Terms is enforceable independently of each of the others and its validity will not be affected if any of the others is invalid. If any of those provisions is void but would be valid if some part of the provision were deleted, the provision in question will apply with such modification as may be necessary to make it valid.
11.6 A person who is not a Party to these Terms may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
11.7 Neither Party shall be entitled to assign a Contract or any part of it without the prior written consent of the other Party.
11.8 Each Party's successors and permitted assignees will be fully bound by these Terms.
11.9 No amendment to these Terms shall be binding on the Parties unless set out in writing, expressed to amend these Terms and signed by authorised representatives of each of the Parties.
11.10 Any notice given under a Contract must be in English writing and signed by or on behalf of the Party giving it, and may be served by giving it personally or by sending it by pre-paid recorded delivery or registered post or by air mail to the relevant Party at the address set out above or to such other address as notified. Notice shall be deemed to have been received if delivered personally at the time of delivery, in the case of pre-paid recorded delivery or registered post forty-eight (48) hours from the date of posting, and in the case of air mail five (5) days from the date of posting.
11.11 This Agreement is governed by and will be construed in accordance with English law. Each Party irrevocably submits to the exclusive jurisdiction of the English Courts for all purposes relating to this Agreement.