

**UNITY LOTTERY AGREEMENT
TERMS AND CONDITIONS**

1. Applicability

- 1.1 These Terms and Conditions ('Conditions') apply to the provision of the Services by us (the 'Company') to you ('you' or the 'Client').
- 1.2 You are deemed to have accepted these Terms and Conditions when you complete the Unity application form.
- 1.3 You acknowledge that you have not relied on any statement, promise or representation made or given by or on our behalf. These Conditions apply to the exclusion of any other terms that you try to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2. Background

- 2.1 The Company is engaged in the supply of lottery administration services and, in particular, the Unity lottery.
- 2.2 The Client wishes to take advantage of those Services for the efficient administration of a lottery

3. Definitions

- 3.1 The following terms shall have the following meanings:
- 3.2 "Commission" means the Gambling Commission or any successor body with authority to regulate gambling activities in Great Britain (but not Northern Ireland) from time to time.
- 3.3 "Company" means Sterling Management Centre Limited, Company No: 03292229 whose registered address is at Drydale House, Newton in Furness, Barrow in Furness, Cumbria, LA13 0NB
- 3.4 "Confidential Information" means any and all information which relates to the business affairs, products, developments, trade secrets, know how, personnel, customer and suppliers of either party or information which may reasonably be regarded as the confidential information of the disclosing party.
- 3.5 "Contract" means the contract between the parties in respect of the Services as regulated by these Conditions and the Data Processing Agreement.
- 3.6 "Data Processing Agreement" means the data processing agreement entered into between the parties to ensure compliance with applicable data protection legislation.
- 3.7 "Intellectual Property" means all vested, contingent and future intellectual property rights including but not limited to copyright, trademarks, design rights, trade names, patents, know-how, trade secrets, database rights or any similar right exercisable in any part of the world including any application for the registration of any patents or registered designs or similar registrable rights in any part of the world.
- 3.8 "Law" means any law, statute, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, bye-law, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, directives or requirements of any regulatory body (including, but not limited to, the Commission) with which a party is bound to comply.
- 3.9 "Lottery" means the Unity lottery to be set up and organised by the Client with the assistance of the Company under the terms of the Gambling Act 2005 as amended and any other statutory or regulatory requirements from time to time in force.

- 3.10 "Lottery Chance" means an entry into the Lottery draw and "Lottery Chances" shall be construed accordingly.
- 3.11 "Lottery Submission" means a summary of the headline figures of each Lottery as determined by the registering authority, required to be submitted within three months of the determination of the draw.
- 3.12 "Member" means any person who has paid the requisite amount to enable them to be entered into a draw of the Lottery and who shall be and continue to be a Member until the Company shall receive notification from the Client that that person wishes to cease to be a Member or until the Member is automatically cancelled by the computer system when the Member has missed an agreed number of draws through non-payment of the requisite amount.
- 3.13 "Notice": means any notice required to be given in accordance with the terms of these Conditions, which notice must be in writing.
- 3.14 "Online Voucher" means a gift voucher that can be purchased and redeemed online for Lottery Chances of an equivalent value.
- 3.15 "Payments" means any amount to be paid by the Client and/or the Company in accordance with the terms of these Conditions.
- 3.16 "Records" means the data relating to the individual Members of the Lottery, to include the Members' name, address, record of payments and winnings and other data that in the reasonable opinion of the Company is required for the effective provision of the Services.
- 3.17 "Required Authorisation" means the authorisation of the relevant registration authority or the Commission (as applicable) to register the Client allowing the Client to run the Lottery and to promote it in Great Britain in accordance with an approved scheme for the running of lotteries together with the authorisations held by the Company to permit the Company to carry out the Services.
- 3.18 "Rules" means the rules of the Lottery that are applicable to the Members from time to time.
- 3.19 "Services" means the lottery administration services to be provided by the Company in respect of the Lottery under the terms of these Conditions and the attached Schedule.
- 3.20 "Term" means the Initial Term and Subsequent Terms as more particularly detailed in Clause 4 of these Conditions.
- 3.21 "White Mail" means any correspondence received from the Members by the Company in relation to a query, a change of Records or a complaint.

4. Appointment and Term

- 4.1 The Client appoints the Company to carry out the Services for the Term in return for the Payments.
- 4.2 The Term shall be an initial period of one calendar year commencing on the date of the first Lottery draw made by the Company on behalf of the Client (the "Initial Term").
- 4.3 Thereafter, the Contract shall continue for additional consecutive Terms of one calendar year (the "Subsequent Terms") subject always to the right of either party to give the other party no less than three months' Notice in writing to terminate the Contract.
- 4.4 Any Notice given in accordance with Clause 4.3 above must be given so as to take effect either at the end of either the Initial Term or at the end of any of the Subsequent Terms save always that the Contract may be terminated sooner if both parties consent in writing.

5. The Company's Obligations

The Company's obligations are:

- 5.1 To provide the Services detailed in the Schedule to these Conditions and to submit appropriate invoices and/or payment records on a monthly basis to the Client.
- 5.2 To pay to the Client no later than the last working day of each month a sum equal to 50% of the total gross receipts paid to the Company by each Member in respect of their membership of the Lottery in the previous month.
- 5.3 To use reasonable care and attention in the provision of the Services and the performance of its obligations under the Contract.
- 5.4 To maintain the Required Authorisation.
- 5.5 To otherwise comply with the provisions of these Conditions and the Law.
- 5.6 To issue the Client with the Rules and any updates to the Rules as are implemented from time to time.

6. The Client's Obligations

The Client's obligations are:

- 6.1 To make the Payments to the Company as follows:-
 - 6.1.1 An initial set up fee of £199 which shall be payable on submission of the Client's formal application to join the Lottery (such application being on the Company's approved application form as shall exist from time to time).
 - 6.1.2 An ongoing monthly amount (including VAT) equivalent to 50% of the total gross receipts paid to the Company by each Member in respect of their membership of the Lottery for that month. The Client agrees that the Company may deduct these amounts from the total receipts on an ongoing basis, subject to paying to the Client the balance of the receipts as set out in Clause 5.2.
- 6.2 To apply for and / or maintain the Required Authorisation and to notify the Company immediately if for any reason the Required Authorisation is suspended, withdrawn or otherwise invalidated.
- 6.3 To complete and submit statutory Lottery Submissions to the Commission or other registration authority in accordance with the Gambling Act 2005 as amended and any other statutory or regulatory requirements from time to time in force.
- 6.4 To promptly provide such information and assistance as the Company requires in order to perform the Services.
- 6.5 To ensure any third parties employed to act on the Client's behalf to recruit Members are made aware of the relevant code of practice ensuring that no one under the age of 16 is approached with a view to being a Member, Member's dates of births are recorded and responsible gambling is promoted.
- 6.6 Not to do or permit any act by which, in the opinion of the Company, the Company's rights in the Intellectual Property may be prejudiced or put in jeopardy.
- 6.7 To issue Members with the Rules and to not change the Rules without the prior written consent of the Company.
- 6.8 To use all reasonable endeavours to ensure the Members comply with the Rules.
- 6.9 To otherwise comply with the provisions of these Conditions and the Law.

7. VAT and Other Taxes

- 7.1 All sums payable under the Contract unless otherwise stated are exclusive of VAT and other similar duties or taxes which may be imposed from time to time.
- 7.2 Any VAT or other duties or taxes payable in respect of such sums shall be payable in addition to such sums.

8. Termination

- 8.1 The Contract may be immediately terminated by either party by Notice in writing to the other if that other shall:
 - 8.1.1 be in material breach or persistent breach of any of the terms of these Conditions which, in the case of a breach which is capable of being remedied, is not remedied other party within 30 days of receipt of a written Notice specifying the breach and requiring its remedy; or
 - 8.1.2 be unable to pay its debts or (being an unincorporated body or person) enters into a voluntary arrangement with his/its creditors or (being a company) enters into compulsory or voluntary liquidation or compounds with or convenes a meeting of its creditors or has a receiver appointed or in either case ceases for any reason to carry on business or takes or suffers similar action which in the reasonable opinion of the party giving Notice means that the other may be unable to pay its debts; or
 - 8.1.3 ceases to carry on its business.
- 8.2 A party ('Innocent Party') shall be entitled to terminate the Contract with immediate effect if the other party's ('Breaching Party') Required Authorisation is refused or revoked, or if an element or elements of the Required Authorisation are varied substantially with the result that, in the reasonable opinion of the Innocent Party, the Breaching Party is no longer able to provide the Services effectively and/or economically and/or in accordance with the Law.
- 8.3 The Company shall be entitled to terminate the Contract with immediate effect if the Client acts or omits to act in such a way that the Company reasonably believes that it will be in breach of any obligation that the Company owes to the Commission.

9. Effects of Termination

- 9.1 Upon termination howsoever arising, the Client shall immediately pay all arrears of the Payments and any other sums due under these Conditions to the date of termination.
- 9.2 Upon termination howsoever arising, the Client will forthwith deliver up to the Company any documents, software, or other property supplied to it by the Company for its use during the Term.
- 9.3 Upon termination howsoever arising, the Company will forthwith deliver up to the Client any documents, software, or other property supplied to it by the Client for its use during the Term (including, but not limited to, the Records).
- 9.4 Termination of the Contract howsoever arising shall not affect the accrued rights or liabilities of either party under these Conditions nor shall it affect the coming into force or the continuance in force of any provision in these

Conditions which is expressly or by implication intended to come into or continue in force on or after such termination.

9.5 Upon termination, the Company shall promptly upon request from the Client provide the Client with Member data in plain text csv data file format with a descriptive header row for no charge. If the Client requires data to be provided in an alternative form or requires additional assistance from the Company to effect the transfer of data (whether to a new provider of the Services or otherwise), the Company shall be entitled to make a reasonable additional charge and such charge shall be deemed to be part of the Payments.

10. Confidentiality and Intellectual Property

10.1 Either party receiving Confidential Information from the other (which shall include any information marked "confidential" or which may otherwise reasonably be supposed to be confidential) shall not without the other's prior written consent use or disclose such information save for the purposes of fulfilling their obligations or exercising their rights under the Contract.

10.2 The above shall not apply to information that is lawfully known to the other party at the time of disclosure or which is already in the public domain other than as a result of a breach of this clause or which is trivial or obvious.

10.3 Each of the parties undertakes to the other to take all steps as shall from time to time be necessary to ensure compliance with the provisions of this clause by its employees, agencies and subcontractors.

10.4 The confidentiality terms in this clause shall remain in full force and effect during the Term and upon the termination of the Contract.

10.5 The Company and its licensors shall retain ownership of all Company Intellectual Property. The Client and its licensors shall retain ownership of all Client Intellectual Property.

11. The Records

11.1 The Records are and shall remain the property of the Client.

11.2 The Company shall provide the Records to the Client at any time upon the Client's written request in either a text or comma separated variable file format.

12. Warranty, Indemnity, and Liability

12.1 Each of the parties warrants its power to enter into the Contract and has obtained all necessary approval (if required) to do so.

12.2 Subject always to clauses 12.3 and 12.7, each party (the 'Indemnifying Party') irrevocably and unconditionally agrees to indemnify and keep indemnified the other party (the 'Indemnified Party') in full and on demand against all actions, claims, losses, damages, costs and expenses suffered by the Indemnified Party as a result of or in connection with any of the failure of the Indemnifying Party fully and promptly to perform any of its obligations owed to the Indemnified Party under the Contract including (but not limited to) any liability occasioned as a result of any breach by the Indemnifying Party of the intellectual property rights of any third party.

12.3 Save as provided for in clause 12.4, neither party shall in any event be liable to the other for any indirect or

consequential loss (including loss of profit, loss of business opportunity, loss of business, loss of goodwill, loss of production and pure economic loss) however caused.

12.4 Notwithstanding clause 12.3, the Client irrevocably and unconditionally agrees to indemnify and keep indemnified the Company in full on demand against all actions, claims, losses (including consequential losses), damages, costs and expenses suffered by the Company and arising, directly or indirectly, from or in connection with any:

12.4.1 losses incurred by the Company pursuant to the standard indemnity and paperless Direct Debit indemnity given by the Company to any third party financial institutions, insofar as such losses arise pursuant to any negligent or unlawful act or omission on the part of the Client; and

12.4.2 losses incurred by the Company pursuant to the rules of the Direct Debit Scheme insofar as such losses arise pursuant to any negligent or unlawful act or omission on the part of the Client; and

12.4.3 losses incurred by the Company pursuant to the rules of the PCI Standards Security Council, insofar as such losses arise pursuant to any negligent or unlawful act or omission on the part of the Client; and

12.4.4 Losses incurred by the Company pursuant to any breach of the Rules by the Client or any Member.

12.5 The Company shall use all reasonable endeavours to ensure that the website and/or its payment gateway will be live and operational for 99% of each month. However, if it is not so available then no penalty is payable by the Company to the Client.

12.6 Neither party excludes or restrict liability for death or personal injury resulting from fraudulent misrepresentation or from its own negligence.

12.7 To the fullest extent permitted by law, the Company shall not be liable to the Client in respect of any advice or assistance which the Company agrees to provide to the Client on a discretionary basis from time to time (the "Discretionary Advice") provided that:

12.7.1 the Company makes no charge to the Client in respect of the provision of the Discretionary Advice; and

12.7.2 the Discretionary Advice does not form part of the Services.

13. Interest

All Payments due from the Client to the Company which are not paid on the due payment date shall bear interest from day to day at the annual rate of 2% over the daily base lending rate of Barclays Bank PLC.

14. Receipt

The receipt of any money by either of the parties shall not prevent them from questioning the correctness of any statement in respect of such money.

15. Force Majeure

Neither the Company nor the Client shall be in breach of the Contract if there is total or partial failure by it of its

duties and obligations under the Contract occasioned by any act of God, act of government or state or insurrection, embargo, pandemic, government restriction or any other reason beyond the control of either party. If the cause continues for more than sixty days and substantially affects the basis of the Contract either party shall have the right to terminate the Contract upon giving thirty days' written Notice of such termination to the other party.

16. Severance

If any provision of these Conditions is declared by any judicial or other competent authority to be void, voidable, illegal, or otherwise unenforceable, or an indication to that effect is 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 or at the Company's discretion it may be severed from the Contract, whereupon the remaining provisions of these Conditions shall remain in full force and effect.

17. Whole Agreement

Each party acknowledges that these Conditions and any documents referred to herein (including, but not limited to, the Data Processing Agreement) contains the whole agreement between the parties and that it has not relied upon any oral or written representation made to it by the other or its employees or agents and has made its own independent investigations into all matters relevant to it.

18. Discretion

Any exercise of discretion in respect of any obligation or benefit in or arising from the Contract shall only be binding on a party if expressly confirmed to be so in writing.

19. Change of Address

Each of the parties shall give notice to the other of the change or acquisition of any address or telephone or email at the earliest possible opportunity but in any event within 48 hours of such change or acquisition.

20. Notice

20.1 Any Notice to be served on one party by the other shall be sent prepaid recorded delivery registered post or e-mail to the address of the relevant party as provided by each party for those purposes from time to time and shall be deemed to have been received by the addressee within 72 hours of posting in the case of a Notice sent by post and forthwith upon receipt by the sender of a delivery receipt in the case of a Notice sent by email.

20.2 Any Notice of proceedings or other notice in connection with or which would give effect to any such proceedings may without prejudice to any other method of service be served on any party in accordance with this clause.

21. Headings

Headings contained in these Conditions are for reference purposes only and should not be incorporated into these Conditions and shall not be deemed to be an indication of the meaning of the clauses to which they relate.

22. Assignment

Subject always to the rights of a party to terminate the Contract by operation of clause 8.1.3, neither party shall assign its rights or obligations under the Contract to any third party without the advance written consent of the other party, such consent not to be unreasonably withheld or delayed.

23. Third Party Rights

These Conditions shall create no rights in favour of any person other than those named as the parties herein and there in no intention on the part of any of the parties to the Contract to create any rights for any person other than those named as the parties hereto, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

24. Proper Law and Jurisdiction

The Contract shall be governed by English law in every particular including formation and interpretation and shall be deemed to have been made in England and both parties submit to the exclusive jurisdiction of the English Courts.

25. Waiver

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

26. Status of the Company

26.1 During the Term the Company shall be an independent contractor and shall not be a servant or partner of the Client.

26.2 In such capacity the Company shall bear exclusive responsibility for such discharge of any corporation tax and VAT liability arising out of the remuneration for its work performed by it under the Contract.

26.3 The Company shall not be subject to directions from the Client as to the method in which it shall perform its work.

27. Costs

Each of the parties shall pay its own costs and expenses incurred by it in connection with the Contract.

28. Variation

No variation of these Conditions shall be valid unless it is in writing and signed by both parties.

THE SCHEDULE

The Services to be provided by the Company

Initial Set-Up:

- License to use the design of the Lottery.
- Provision of a marketing pack as provided by the Company from time to time, to comprise of leaflets / entry forms, posters, artwork.
- The provision of a fully managed cheque processing system.
- The provision of a fully managed direct debit collection system.
- The provision of a fully managed debit card processing system.
- The provision of a web page specific to the Client on the Unity website.

Set up and operation of a complete lottery administration system for the Client:

- Data capture of new Members information into the Lottery software.
- Capture of Member source information and analysis that may be generated using the Company's software programmes.
- The amendment of existing Members details within the Lottery software as requested by the Member.
- The entry into the Lottery software of payments made by Members who pay by cheque and the processing of all related documentation.
- The entry into the Lottery software of payments made by Members who pay by direct debit and the processing of all related documentation.
- The entry into the Lottery software of payments made by Members who pay by debit card and the processing of all related documentation.
- The entry into the Lottery software of winning £5 entries awarded to the respective Member.
- The processing, printing and postage of all prize winners' cheques and letters, new Members letters, low credit letters and any other letters produced from time to time directly to Members each week.
- Publish the Game rules on the Unity Website and include information on where game rules can be found in new Members letters on behalf of the Client.
- Weekly operation of the Lottery draw and identification and verification of winners.
- The provision of the prizes for the Lottery.
- The payment of prizes by Direct Credit where possible
- Provision of Lottery and management reports as may be generated from the Company's Lottery software programmes on a weekly basis to assist the Client to complete submissions to the Commission or other registration authority in each case as required.
- The forwarding to the Client on a weekly basis of any 'White Mail' received at the Company's address.
- Process Online Vouchers pursuant to the Rules.
- Operate a 'Lottery Helpline' for Members' enquiries operated during the Company's office hours.

Age Verification

- Make available a facility for randomly checking the age of a percentage of those persons who wish to become Members.
- Configure the Unity website so that when an individual is selected for age verification, they are required to provide positive consent to age verification.
- Configure the Unity website so, that in the event of the age verification facility declining to verify the age of an individual, the individual shall be routed to a third party site nominated by the Company where additional checks can be carried out
- Configure the Unity website so as not to permit any individual to play the Lottery where that individual self declares as not being old enough to be legally permitted to take part in the Lottery; or who fails to provide consent to the age verification process.

For the purposes of these Conditions and for the avoidance of any doubt, a Member shall be regarded as any individual person or registered Company introduced by the Client who has paid the requisite amount to enable them to be entered into one or more draws of the Lottery as a player.

A Member shall cease to be a Member if either the Company shall receive notification that that Member wishes to cease to be a Member or the Member's membership is automatically cancelled by the Company's computer system by reason of the Member missing a pre-set number of draws through not paying for their Lottery number(s).

Any Member who has not paid for their ticket in any given draw but whose membership has not yet been cancelled as detailed above shall remain a Member for the time being but shall not be entered into any draw in respect of which they have not made their due payment in full to the Company.