

Standard Terms of Credit

1. All words, terms and expressions (and, in particular but without limitation, "the Carrier" and freight") herein have the same meaning as they have in the P&O Ferries "Conditions of Carriage of Goods by sea: Commercial Service" ("the Conditions of Carriage").
2. It is understood and agreed that the Account Customer will normally (but not necessarily) be the Shipper of goods pursuant to contracts for the Carrier's services made on the terms of the Conditions of Carriage ("the contracts") but, without prejudice to the Carrier's rights against any other person, the Account Customer shall in any event and at all times be primarily responsible for the payment of freight under the contracts.
3. P&O Ferries Ltd ("P&O Ferries") may be either the Carrier under the contracts and/or the Carrier's authorised agent for invoicing and any other purpose, but will always be responsible for issuing invoices on the Carrier's behalf, and payment of such invoices must always be made to P&O Ferries.
4. The credit agreement is made between P&O Ferries and the Account Customer on these standard terms of credit and in connection with the payment of freight pursuant to the contracts and it is ancillary to the contracts. No such credit agreement shall come into force, however, until P&O Ferries has
 - (i) checked to its complete satisfaction the Account Customer's creditworthiness, including (but not limited to) taking up the references provided by the Account Customer, and
 - (ii) confirmed that the credit facility is agreed in such specific terms.
5. Subject to the right of P&O Ferries at any time and at its sole discretion to vary its terms, the credit agreement shall remain in force until brought to an end in accordance with any provision herein.
6. The Account Customer warrants the accuracy and completeness of all personal information (including, without limitation, any trading name) provided by him which shall always be a condition of the credit agreement. P&O Ferries must be informed of any changes to such information, but shall have no obligation to maintain this credit agreement as a result thereof. In particular (but not exclusively), P&O Ferries may at its sole discretion treat any change in the Account Customer's trading name or in its legal status from an unincorporated entity to an incorporated body or vice versa as notice of termination within clause 16 below.
7. All rights and benefits of the credit agreement are personal to the Account Customer and may not be assigned or otherwise transferred to any other person without the express written consent of P&O Ferries.
8. In accordance with clause 3.1 of the Conditions of Carriage, freight shall be deemed earned and become due immediately upon the loading of goods, but shall be payable against and in accordance with a P&O Ferries invoice. All such invoices shall always be payable immediately upon demand, but P&O Ferries nevertheless agrees to grant to the Account Customer an interest-free period of credit ("the credit period"), commencing on the date of the invoice, for such period as P&O Ferries may decide and notify to the Account Customer.
9. All invoices shall be deemed to have been duly received by the Account Customer within five days of the invoice date unless it is proved otherwise. Any query about an invoice must be notified in writing (preferably by email) to P&O Ferries within seven days of receipt, failing which the invoice shall be deemed to have been accepted by the Account Customer as being due for payment.

10. Invoices must be settled in full and without deduction or set-off in respect of any other sum except as may otherwise be agreed in writing.
11. In respect of any payment which is not received by the due date, interest shall be payable from the date of the invoice at the relevant base rate plus 8%. Where the Account Customer's principal place of business is in the United Kingdom or in any non European Union member state, interest shall be payable as provided by the Late Payment of Commercial Debts (Interest) Act 1998, namely the Bank of England base rate for the time being plus 8%. Where the Account Customer's principal place of business is in a European Union member state (other than the United Kingdom), interest shall be payable at the European Central Bank base rate plus 8%.
12. P&O Ferries shall be entitled to treat the Account Customer's default on any one invoice as being a default on all other invoices which are unpaid (even if still within the credit period) at the time of such default and, without the need for any notice, all such invoices shall automatically thereupon become immediately due for payment with interest in accordance with clause 11 above.
13. In the event of any default or breach of the Account Customer's obligations hereunder, P&O Ferries shall be entitled to recover any and all costs which it may reasonably incur through the appointment of any person instructed to recover (whether by due legal process or otherwise) any sum due from the Account Customer.
14. Any order for liquidation, receivership or administration made in respect of the Account Customer must be notified immediately to P&O Ferries who must in any event be kept fully informed of any circumstance (including without limitation any decision to suspend or cease trading) which might reasonably be expected to prejudice the Account Customer's ability to comply with its obligations to P&O Ferries (whether under the credit agreement and/or any contract of affreightment). In the event of any such order (and whether or not it has been properly notified to P&O Ferries), this credit agreement shall automatically be terminated forthwith. All invoices then unpaid at that time shall immediately become due for payment with interest thereon being payable in accordance with clause 11.
15. In the event of any default or breach of the Account Customer's obligations under the credit agreement, P&O Ferries shall at its sole discretion be entitled to terminate by notice any agreement then in force between the Carrier and the Account Customer regarding freight rates, volume rebates and the like. In the event of the credit agreement coming to an end in accordance with clause 14 above or otherwise by reason of the Account Customer's default or breach, any such agreement between the carrier and the Account Customer shall automatically be terminated.
16. Without prejudice to any other term of this credit agreement, either party may terminate such agreement by giving notice in writing of not less than 28 days. Such notice shall not affect any credit period which, at the time that the notice is given, is either already running or is due to run in respect of the payment of freight for any shipment of goods already booked but not performed, but the credit facility available to the Account Customer hereunder shall cease in respect of all shipments booked by the Account Customer after the date of the notice.