

## AMUSEMENT MACHINES CONTRACT

This contract is in four Parts:

- Part 1 which set outs out key details relating to the contract;
- Part 2 which explains the meaning of certain words and phrases used in the contract;
- Part 3, which sets out the detailed terms and conditions applicable to the contract; and
- Part 4, which contains spaces for you to sign the contract and, by doing so, confirm you agree to the terms set out in Parts 1, 2 and 3.

This contract (as made up of Parts 1, 2, 3 and 4) sets out the basis on which **amusement machines** can be installed by you, the publican named in Part 1 below, at the **property**.

### PART 1: KEY CONTRACT DETAILS

Name and address of publican ("You/your")	Name and address of publican
Property	Name and address of property
Amusement machines covered by this Contract	<p>Machines for amusement with or without prizes and which may or may not involve skill including:</p> <ul style="list-style-type: none"> <li>• Video machines;</li> <li>• Jukeboxes;</li> <li>• Games machines;</li> <li>• Snooker;</li> <li>• Pool;</li> <li>• Rides;</li> <li>• All other electrical, electronic or mechanical entertainment or games; and</li> <li>• Gaming or gambling machines.</li> </ul> <p>But excluding [ ]</p>
Machine share	[50%] [100%]

## PART 2: MEANING OF CERTAIN WORDS & PHRASES

Other expressions used in this contract which have particular meanings are as follows:-

<b>Amusement machines</b>	means any or all of the machines specified as being covered in Part 1 of this <b>contract</b> .
<b>Amusement machine removal admin charge</b>	means the cost reasonably incurred by us and our contractors relating to the removal and disposal of any <b>amusement machines</b> or <b>unauthorised machines</b> at the <b>property</b> .
<b>Business</b>	the carrying on the business of a fully-licensed public house or any other use to which we agree in writing.
<b>Contract</b>	means this contract, covering the installation of <b>amusement machines</b> at the <b>property</b> .
<b>Machine share</b>	means the share of the <b>net proceeds</b> as set out in Part 1 which will be paid to you.
<b>Net proceeds</b>	means an amount equal to the <b>proceeds</b> (to date) from each <b>amusement machine</b> less the outgoings (to date) (as defined by paragraph 4.3 of this <b>contract</b> ) on that item.
<b>Proceeds</b>	means all cash collected from <b>amusement machines</b> and the proceeds of selling tokens for use in <b>amusement machines</b> .
<b>Property</b>	means the property as set out in Part 1.
<b>Property agreement</b>	means any occupational agreement between you and us or our respective predecessors in title which relates to the <b>property</b> .
<b>Unauthorised machines</b>	means any amusement machines which may be machines with or without prizes and which may or may not involve skill and which are not <b>amusement machines</b> .
<b>We, us</b>	<b>Punch Partnerships ( ) Limited</b> of Jubilee House, Second Avenue, Burton upon Trent, DE14 2WF or (if applicable) any person (including any company or other entity) to whom the <b>contract</b> may be transferred
<b>You, your</b>	you, the person named as the publican in Part 1

## PART 3: DETAILED CONTRACT TERMS & CONDITIONS

### 1 Duration of Contract

#### *Contract start*

- 1.2 This **contract** will take effect from the date you sign and enter into it and will then continue to apply until brought to an end as set out paragraph 5 of this **contract**.

### 2 General Obligations

- 2.1 You will only install the **amusements machines** set out in Part 1 of this **contract** at the **property**.
- 2.2 You will not install any **unauthorised machines** at **property**.

- 2.2 We can ask you to remove **unauthorised machines**. If you do not remove such **unauthorised machines** we can remove them and charge you the **amusement machine removal admin charge**.
- 2.3 You agree to notify us in writing immediately following the removal or installation of any **amusement machines** at the **property**.
- 2.4 You must make sure that you are registered for Machines Games Duty or any other similar duty or tax and obtain all other licences or consents required in order to operate the **amusement machines**.
- 2.5 You must meet with all laws and other legal requirements which may affect or relate to the installation of **amusement machines**.

### **3 Terms of installation**

- 3.1 You must make sure that all **amusement machines** are:
- 3.1.1 the exact model and type we have agreed to;
  - 3.1.2 installed and kept only in the location we have agreed to;
  - 3.1.3 from a supplier we have agreed to and we can change the supplier from time to time during the duration of this **contract**;
  - 3.1.4 available for public use whenever the **property** (or the parts of the **property** where the equipment is situated) is open for trade;
  - 3.1.5 used, maintained, serviced or replaced according to our (or the supplier's) current instructions and only using the engineers or repairers the supplier recommends or we require (if this applies); and
  - 3.1.6 kept in working order (and, if it is not working properly, you must tell the supplier at once so that the equipment is repaired or replaced).
- 3.2 You must agree and keep to the supplier's operating terms for each **amusement machine**. All keys for **amusement machines** are to be kept by suppliers unless we agree otherwise.
- 3.3 You will take reasonable security precautions to prevent damage to any **amusement machine**.
- 3.3 All permits and licences relating to the **amusement machines** must be displayed by you in such parts of the **property** as required by law.
- 3.4 You must give us, the supplier and any other person authorised by us access to the **property** at all reasonable times in order to install, maintain, repair, remove and replace **amusement machines** and to fill and empty **amusement machines** with goods, cash or other items.
- 3.5 You must not sell or grant a charge over or do anything else to affect the rights of the owner of the **amusement machines**.
- 3.6 You must not tamper with the **amusement machines** or tamper with or bypass any associated IT equipment.

### **4 Proceeds from amusement machines**

- 4.1 If we ask, you will empty **amusement machines** of cash and tokens at regular intervals (and you will be accountable for it in line with this **contract**). Otherwise we or our suppliers can empty them.
- 4.2 Whoever receives the **proceeds** (you or us), will hold those **proceeds** for both of us. They will first be used to pay outgoings and then be classed as **net proceeds**.
- 4.3 Only the following items of expenditure can be regarded as 'outgoings' for the purposes of this paragraph.
- 4.3.1 Any money placed in any **amusement machines** as a float.
- 4.3.2 Any money refunded to customers of the **business**, as compensation for the **amusement machines** being faulty. You will act reasonably when making any payment of this type and you must get a receipt.
- 4.3.3 Any money that can be recovered (directly or indirectly) from the proceeds through **VAT** (or other taxes or duties) in the **amusement machine** takings.
- 4.3.4 All rent and other payments to the supplier of the **amusement machines** for use, maintenance, repair or replacement of the **amusement machines**. This refers to the gross amount of any such payment, before taking off any discount or other concession given by the supplier.
- 4.3.5 Machine Games Duty, licence duty and any similar tax or payment which is additional to or replaces it.
- 4.3.6 Charges for a phonographic performance and/or performing rights society licence.
- 4.4 Electricity consumed by **amusement machines** is not an outgoing.
- 4.5.1 The **proceeds** made by each **amusement machine** will be used first to reimburse outgoings (see paragraph 4.3 above) and then (subject to 4.5.5 below), the **machine share** will be distributed as often as we require and will be paid retrospectively through your trade account with us.
- 4.5.2 Any losses (shown by a negative figure for **net proceeds**) will also be borne by the parties to this **contract** in the same proportion as the **machine share**.
- 4.5.3 We will meet with you as often as is reasonably necessary to agree the **proceeds**, outgoings and **net proceeds**.
- 4.5.4 Where we receive any share of the **net proceeds**, we may have to charge **VAT** on that amount. If this is the case, we will take the **VAT** off your share of the **net proceeds** so that you will receive the net amount while we receive our share of the **net proceeds** plus the relevant **VAT**. We will provide you with a **VAT** receipt for any amounts set off in this way.
- 4.5.5 Before we pay you the **machine share**, we can deduct from these any sums that you owe to us under this **contract** or any **property agreement**.

## **5 Duration of this contract and termination**

- 5.2 If at any time the **property agreement** comes to an end and is not immediately replaced with a new property agreement with us in relation to the **property** then this **contract** will come to an end automatically on:-
- 5.2.1 the date on which your **property agreement** ended; or

5.2.2 if later, the date on which you cease to be in occupation of the **property**.

*Failure to comply with contract*

- 5.3 If at any time you fail to comply with any of your obligations under this **contract** and you do not rectify the failure (if possible) within 7 days of receiving a warning notice from us, we will have the right to bring this **contract** to an end.
- 5.4 If we wish to bring the **contract** to an end because we consider that you have failed to comply with the **contract** then you will be required to remove all **amusement machines** immediately.

*Removal of machines at the end of this contract*

- 5.5 If this **contract** comes to an end under this paragraph 5 and you do not remove all **amusement machines** immediately then we shall be entitled to remove the said **amusement machines** and you must pay us the **amusement machines removal admin charge**.

*Indemnity and extent of liability*

- 6.1 You will indemnify us against all actions, claims and demands, which may arise in respect of any failure on your part to perform and observe the conditions of this **contract**.
- 6.2 To the fullest extent permitted by law, we will not accept any liability for or responsibility for or give any warranty in relation to the performance of the **amusement machines**.

**7 Transfer of contract**

- 7.1 This contract is personal to you and cannot be transferred or assigned by you to a third party.

**PART 4: SIGNATURE SPACES**

Space for signature on behalf of <b>Punch Partnerships ( ) Limited</b>	
Name of signatory	
Date of signature	

Space for signature of Publican	
Name of signatory	
Date of signature	