**HULL 2017 COMMISSIONING AND PRODUCTION AGREEMENT**

**THIS AGREEMENT** is made on 2016

**BETWEEN**

1. **HULL UK CITY OF CULTURE 2017 LIMITED** a company incorporated in England and Wales under company number 9106231 (with registered charity number 1162199) whose registered office is at 40 High Street, Pacific Exchange, Hull, HU1 1PS (“**Hull 2017”**); and
2. **ANDREW WHEATLEY / CABINET GALLERY LIMITED,** a company incorporated in England and Wales under company number 3668654 whose registered office is at 49 – 59 Old Street, London, EC1V 9HX (the “**Producer”**).on behalf of **COSEY FANNI TUTTI**, and Black Sky Thinking Ltd a company registered in England and Wales under company number 07130747 whose registered office is 97 Pentonville Road N1 9JB.

**BACKGROUND**

Hull 2017 is organising UK City of Culture and Hull 2017 and Producer wish to enter into an agreement pursuant to which the Producer shall create the ‘COUM Transmission’ exhibition and live events programme (the “**Production**”), as part of UK City of Culture, and consisting of (i) Section 1 (General Clauses) and (ii) Section 2 (Contribution).

DOCUMENTATION

The following documents referred to in this Agreement shall be attached to this Agreement unless otherwise agreed by the parties:

1. Production Summary (Summary of Exhibition and Live Events)  
2. Production Delivery Plan   
3. Production Budget  
4. Reporting Template  
5. Equality and Diversity Monitoring Form  
6. Risk Register (to be developed)

**THIS AGREEMENT IS HEREBY SIGNED** by the parties or their duly authorised representatives on the date of this Agreement.

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| Signed by [                                                  ]  for and on behalf of  **Hull 2017** | ) |  |
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| Signed by **[Name of Authorised Signatory]**  duly authorised for and on behalf of  **[Andrew Wheatley/Cabinet Gallery]**  **Cosey Fanni Tutti**  **Black Sky Thinking Ltd.** | ) |  |
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**SECTION 1**

GENERAL CLAUSES

1. DEFINITIONS

In this Agreement, unless the context otherwise requires:

**2017 Funders** means Hull 2017’s official commercial partners and official suppliers from time to time;

**Completion** shall occur when Producer demonstrates to Hull 2017 that it has undertaken all the planned events and activities forming part of the Production to the agreed timetable and scope and final accounts relating to the Production have been submitted by Producer;

**Contribution** means a payment by Hull 2017 to Producer of £101,943 or individual payments which together total not more than £101,943, to be made pursuant to this Agreement;

**Delivery Date[s]** means [ TBC ];

**Event of Default** has the meaning given to it in clause 6.1 of Section 2;

**Force Majeure Event** has the meaning given to it in clause 27.1 of Section 1;

**Hull 2017 Brand** means the brand relating to UK City of Culture and containing the Marks of Hull 2017;

**Hull 2017 Policies** means the (i) Accessibility (ii) Environmental and Sustainability (iii) Wellbeing and Communities (iv) Children and Vulnerable Adults and (v) Equality and Diversity Policies referred to in this Agreement;

**Marketing and Communications Plan** means the marketing and communications plan (including digital strategy) for the Production;

**Marks** means any trade marks, service marks, words, symbols, terms, logos, emblems, designs and/or designations;

**Production** means theCOUM Transmission exhibition and live events programme, as detailed in the Production Delivery Plan;

**Production Budget** means the budget agreed between the parties and attached to this Agreement;

**Production Delivery Plan** means the delivery plan relating to the Production;

**Production Summary** means the summary of exhibition and live events agreed by the parties and attached to this Agreement referred to on page 1 of this Agreement;

**Risk Register** means the risk register relating to the Production;

Term has the meaning given in clause 20 of Section 1;

**UK City of Culture** means the series of curated events comprising the Hull 2017 UK City of Culture;

Venue means Fruit [64 Humber Street, Hull]; and Hull Contemporary.

Volunteer Programme Partner Guidelines means the Hull 2017 volunteer programme partner guidelines.

1. THE PRODUCTION
   1. Hull 2017 commissions the Producer to to deliver and produce the Production as part of UK City of Culture.
   2. In consideration of the Producer performing its obligations in accordance with this Agreement, Hull 2017 shall pay the Contribution to the Producer in accordance with the terms of Schedule 2.
   3. The Producer acknowledges that the Contribution is paid on trust to the Producer for the sole purpose of delivering and producing the Production.
   4. The Production Delivery Plan will form part of the basis for the reporting, monitoring and assessment of the services provided by the Producer under this Agreement.
2. PRODUCER RESPONSIBILITIES

Producer shall:

* + 1. deliver and produce the Production in accordance with the Production Summary and the timetable set out in the Production Delivery Plan, and acknowledges that the Production is subject to the approval of Hull 2017;
    2. secure in perpetuity all consents required for use of original materials created by third parties which are used or embodied in the Commissioned Work including, but not limited to, permissions relating to copyright materials and musical samples, and provide written evidence to Hull 2017 that all such permissions have been secured, with the exception of any music covered by normal Performing Rights Society (PRS) arrangements permission for which shall be obtained by Hull 2017;
    3. engage the services of all the artists, curators, producers, filmmakers, musicians, production crew, fashion designers, delivery partner organisations, administrative staff and other personnelrequired for the Production;
    4. obtain all necessary rights, licences, permissions and consents relating to the Production including visa and work permit provision for international artists;
    5. develop the Production Delivery Plan for approval by Hull 2017, deliver the Production in accordance with the Production Delivery Plan and not make any changes to the Production Delivery Plan without the approval of Hull 2017;
    6. comply with Hull 2017’s regulations in respect of health safety and security when attending any premises of Hull 2017 or any venue of UK City of Culture and the provisions of The Health and Safety At Work Act 1974 and all regulations thereunder;
    7. inform Hull 2017 immediately in writing of anything that significantly delays, threatens or makes unlikely the successful delivery of the Production or any key part of it.

1. HULL 2017 RESPONSIBILITIES

Hull 2017 shall:

* + 1. have the right to review the Production and, where further development of the Production is required, shall allow the Producer a further reasonable period of time to develop the Production and resubmit the Production proposals to Hull 2017 for approval;
    2. liaise with Producer on a regular basis and assist Producer in ensuring the success of the Production;
    3. where relevant advise on matters relating to UK City of Culture including transportation, security, marketing and other related logistic and production issues;
    4. provide funding to effect the Production in accordance with Section 2 of this Agreement;
    5. assist Producer with the mitigation of any risks relating to the Production; and
    6. provide accommodation, the venue for the Production and such other production deliverables as are set out in the Production Delivery Plan.

1. MARKETING AND COMMUNICATIONS
   1. Hull 2017 shall develop the Marketing and Communications Plan in consultation with the Producer.
   2. Hull 2017 shall develop a marketing and communications plan for UK City of Culture and shall promote the Production as part of this plan.
   3. The parties agree that both the timing and content of any public announcements (including public statements and press and other media) relating to the Production shall be made in accordance with the Marketing and Communications Plan and the Producer acknowledges that it is intended that such public announcements will be made by Hull 2017.
2. BRANDING, PROMOTING AND CREDITING
   1. Producer acknowledges that Hull 2017 wishes to use the Production name, images of relevant venues, images and footage relating to the Production, approved images and biographies of artists participating in the Production (the “**Materials”**) for marketing and promotion of the Production and UK City of Culture and shall provide the Materials to Hull 2017 for such usage. These Materials must be supplied by the Producer and any use, abridged or altered in any way must be agreed by bother parties ahead of use.
   2. Subject to clause 6.1 above, Producer grants Hull 2017 a non-exclusive, fully paid up, royalty free, irrevocable, perpetual, worldwide licence to use, copy, reproduce and modify the Materials for the purposes of marketing and promotion of UK City of Culture and represents and warrants to Hull 2017 that the use of the Materials by Hull 2017 as contemplated in this Agreement shall not infringe any pre-existing rights of any third party.
   3. The Producer agrees (i) that the following line credits shall be included in all marketing, promotional and publicity materials relating to the Production and (ii) to ensure that such line credits are used by third parties in any marketing or promotional materials of this and all subsequent presentations of the Production, in each case ensuring such credit is (i) equal in size and position with all other producer credits and (ii) accompanied by the Hull 2017 Mark:

**Presenting Credit for presentation of original production in Hull:**

“Hull UK City of Culture 2017 and [Cabinet Gallery],   
(present)  
[COUM:Transmissions]”

For all other productions and presentations:

“COUM:Transmissions was originally produced by [Cosey/Cabinet] as part of Hull UK City Of Culture 2017”

1. SPONSORSHIP OF PROJECT

Producer shall not, without Hull 2017’s consent, enter into any sponsorship or other commercial arrangement in relation to the Production.

1. NO UNAUTHORISED EXPLOITATION OF HULL 2017
   1. Other than as set out in this Agreement, Producer shall not, and shall use its best endeavours to procure that none of its sub-contractors shall: (i) commercially exploit the Hull 2017 Brand; or (ii) do anything which creates an association of any kind between (a) Producer or any third party and (b) Hull 2017; or (iii) make any private commercial (or fundraising) use of its relationship to Hull 2017, and Producer acknowledges that it has no right to grant any rights to third parties to associate themselves, their goods or services with UK City of Culture.
   2. Producer shall not (i) do anything to knowingly damage Hull 2017’s relationship with 2017 Funders; nor (ii) do anything that would bring Hull 2017 or UK City of Culture into disrepute.
2. 2017 FUNDERS

Hull 2017 is carrying out promotional and engagement activities for UK City of Culture and may require the Producer and its creative artists to take part in such activities. Hull 2017 will endeavour to provide the Producer with reasonable notice of any such activity.

1. MERCHANDISE

Producer and Hull 2017 shall discuss in good faith the possibility that Hull 2017 merchandise shall be sold at all venues where the Production is held..

1. TICKETING

Either Hull 2017 or the Venue shall be responsible for any ticketing relating to the Production and Hull 2017 shall liaise with the Producer regarding any pricing structures and in respect of any complimentary tickets.

1. SECURITY AND POLICING

Producer agrees to co-operate fully with Hull 2017 on all matters relating to security for UK City of Culture.

1. POLICIES

Producer shall:

* + 1. use its best endeavours to make the Production fully accessible to as wide a range as possible of artists, employees, participants and audiences, including complying with Arts Council England’s Creative Case and Hull 2017’s Accessibility Policy;
    2. follow best practice in having appropriate policies and procedures in place to ensure the protection of children, young people and vulnerable adults including policies for lost children; and
    3. use its best endeavours to adhere (and to procure adherence by any sub-contractors) to Hull 2017’s Environmental and Sustainability Policy, Equality and Diversity Policy and Wellbeing and Communities Policy.

1. CREATIVE LEARNING

The Producer shall ensure that senior members of the Production’s artistic team shall be available to meet with participants of Hull 2017’s learning and engagement programme at times to be agreed between the parties.

1. VOLUNTEERING
   1. Producer shall have the opportunity to request the services of volunteers recruited by Hull 2017 as part of the Hull 2017 volunteer programme.
   2. Producer recognises that volunteers shall be required to wear Hull 2017 volunteer uniforms and that it shall be required to comply with the Volunteer Programme Partner Guidelines and Hull 2017 agrees to support the Producer in complying with these guidelines.
2. BROADCASTING

Producer shall not, and shall ensure that any delivery partner shall not, arrange for the broadcast of any moving audio-visual and/or audio-only coverage of the Production without the prior approval of Hull 2017. For the avoidance of doubt, this clause does not prohibit clips of any part of the Production(s) being broadcast for news purposes only.

1. MONITORING AND EVALUATION
   1. Producer shall complete the Equality and Diversity Monitoring form referred to in the Documentation section of this Agreement.
   2. Producer shall (i) participate in the evaluation of the Project using the guidelines being developed by Hull 2017 (such guidelines to include the collection and sharing of data from a range of beneficiary groups) and (ii) contribute fully to the evaluation of UK City of Culture which will be undertaken by Hull 2017, the University of Hull and other approved evaluators..
2. LEGACY AND ARCHIVING

It is acknowledged that the parties’ objectives for the Production include a measurable and long-term legacy (“**Legacy”**) and each party agrees to use its reasonable endeavours throughout the development and delivery of the Production to further the Legacy of the Production.

The Producer shall document the Production for archival purposes through film, photography and other digital outputs, and shall provide such outputs to Hull 2017 and grant to Hull 2017 an irrevocable, royalty-free license in perpetuity, to use, copy, keep and disseminate such outputs for archival and legacy purposes.

1. INTELLECTUAL PROPERTY AND EXPLOITATION
   1. The Intellectual Property Rights in the Production are owned by the Producer. The Producer hereby grants consent for Hull 2017 to publicly present the Production as part of UK City of Culture.
   2. The Producer shall not permit the Production to be exhibited at any venue prior to the presentation of the Production as part of UK City of Culture, or in the United Kingdom prior to 31 December 2017 without Hull 2017’s prior written approval, which shall not be unreasonably withheld. Any future touring programme and associated activity will be mutually agreed between the Parties and subject to a separate agreement.
   3. Producer shall ensure that any future exhibition of the Production shall be accompanied by the line credit set out in clause 6 of this Agreement and shall enter into good faith negotiations with Hull 2017 regarding any royalty payment to Hull 2017 in respect of any revenues generated from any such exhibition.
   4. The Producer warrants that it is vested with all the rights necessary to produce and publicly present the Production and that the Production does not and the presentation of the Production will not infringe any copyright or other rights of any other work or any third party rights.
   5. The Producer grants Hull 2017 a non-exclusive, irrevocable, royalty-free world-wide licence in perpetuity to use and reproduce any element of the Production for all its non-commercial purposes and activities, including but not limited to use on the UK City of Culture website, the internet and Hull 2017’s Intranet and for archival, preservation and collections management purposes, filming and photography, marketing purposes, fundraising, educational, publishing and exhibition purposes.
   6. Each party shall promptly notify the other if any claim or demand is made or action brought against them for infringement or alleged infringement of any Intellectual Property Rights which may adversely affect the Producer’s services or the supply, use or possession of any deliverable under this Agreement.
2. TERM

The term of this Agreement (**Term**) begins on the date of signature of this Agreement by both parties and shall, unless terminated earlier in accordance with this Agreement, expire on completion of the Production and the fulfilment of the Producer of its obligations under this Agreement.

1. INSURANCE

Hull 2017 shall either obtain or procure the obtaining of all usual insurance cover for the Production.

1. LIABILITY AND INDEMNITY
   1. The Producer shall indemnify and keep indemnified Hull 2017 from and against all losses, actions, proceedings, damages, claims, costs, expenses and liabilities of whatever nature arising from or relating to any breach or non-performance of this Agreement
   2. Hull 2017 shall reimburse the Producer in respect of all direct losses, actions, claims, costs and liabilities arising out of breach of this Agreement, common law or statute by Hull 2017 or any person for whom Hull 2017 is directly responsible.
2. CONFIDENTIALITY

Producer and Hull 2017 shall keep as strictly confidential the provisions of this Agreement and all materials and information of a confidential nature supplied by Hull 2017 in connection with the operation of this Agreement and shall not use the same, nor disclose the same to any third party without Hull 2017’s prior written consent, except as may be reasonably necessary to enable it to carry out its obligations under this Agreement; or where required by law or by an order of a court or other authority of competent jurisdiction.

1. TERMINATION
   1. If Hull 2017 terminates this Agreement in accordance with clause 7.3 of Section 2 it shall not incur any liability to Producer.
   2. If UK City of Culture is not held for any reason, this Agreement shall terminate automatically with effect from the date on which it is officially announced that UK City of Culture will not be held or will not continue. With effect from such date, each party shall automatically be relieved of its obligations under this Agreement (except for those obligations which expressly or by implication are intended to survive termination) and, subject to clause 7.3 in Section 2, neither party shall have any liability to the other.
   3. Expiry or termination of the Agreement for whatever reason shall not affect either party’s rights or remedies that have accrued prior to the date of termination, nor the coming into force or the continuance in force of any provision of this Agreement which is expressly or by implication intended to come into or continue in force by or after expiry or termination, including clauses 7, 8, 9, , 18, , 21,, 23 and 27 of Section 1.
2. ANTI-BRIBERY

Neither party will tolerate bribery in any form (as defined by the Bribery Act 2010 and any subsequent law). Each party represents, warrants and undertakes to the other party that it has in place, and will follow, adequate anti-bribery policies and procedures. Each party acknowledges that any breach of its obligations under this Clause would constitute a material breach of contract for which the other party will be entitled to terminate this Agreement with immediate effect.

1. DATA SHARING

Where legally able to do so, the Producer shall provide Hull 2017 such access as shall be requested to marketing and other databases for the purposes of evaluation by Hull 2017 of the Production and UK City of Culture.

1. FORCE MAJEURE
   1. If either party is prevented from or delayed in the performance of any of its obligations under this Agreement by any event (a “**Force Majeure Event**”) beyond the reasonable control of that party, including, but not limited to, acts of God, civil commotion, war, earthquake, fire, flood, industrial action or terrorist action, then it shall notify the other party in writing of the circumstances, and shall be excused from performing those obligations for so long as the Force Majeure Event shall continue. If the Force Majeure Event continues for longer than 60 working days, the party not claiming relief under this clause shall be entitled to terminate the Agreement in whole or in part by giving the other party 30 working days’ written notice.
   2. If performance by either party of such party's obligations under this Agreement is only partially affected by a Force Majeure Event, such party shall at the other party's sole option nevertheless remain liable for the performance of those obligations that are not affected by the Force Majeure Event.
2. NOTICES

Any notice to be given under this Agreement shall be in writing and signed by or on behalf of the party giving it and shall be served by hand, registered post (or, if posted to or from the United Kingdom, an internationally recognised courier service) or fax to:

* + 1. in the case of Hull 2017: Pacific Exchange, 40 High Street, Hull HU1 1PA or +44 (0)1482 300300 (marked, in either case, for the urgent attention of Hull 2017’s Executive Director); or
    2. in the case of Producer: Apartment 6, 49-59 Old Street, London EC1 V 9HX or +44 (0) 207 251 6114 (marked, in either case, for the urgent attention of Andrew Wheatley); or
    3. such other address or fax number as Producer may designate in accordance with this clause.

1. GENERAL
   1. Producer acknowledges that the Contribution is non-transferable, and that Hull 2017 may, but (unless Hull 2017 consents) Producer shall not nor shall it purport to, assign any of its rights under this Agreement.
   2. No person who is not a party to this Agreement shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under this Agreement are not subject to the consent of any other person.
   3. This Agreement and the Hull 2017 Brand Guidelines contain the entire agreement and understanding of the parties, and supersede any previous agreement or understanding between the parties, in relation to the subject-matter of this Agreement.
   4. No failure to exercise or delay in exercising any right or remedy under this Agreement shall operate as a waiver of that or any other right or remedy. The express rights and remedies provided by this Agreement are cumulative and, except as otherwise stated in this Agreement, do not exclude any other rights or remedies provided by law.
   5. The illegality, invalidity or unenforceability of the whole or part of any provision of this Agreement shall not affect the continuation in force of the remainder of this Agreement.
   6. The provisions of this Agreement:

### (a) shall survive the termination of this Agreement where expressly stated and otherwise to the extent necessary to protect the rights of Hull 2017 in and to the Hull 2017 Brand and to effect the intent of the parties; and

### (b) shall also be for the benefit of the parties and their respective successors and permitted assignees.

* 1. Nothing in this Agreement (or in any of the arrangements contemplated by it) is, or shall be deemed to constitute, a partnership, joint venture, relationship or agency or contract of employment between the parties.
  2. If any dispute or claim between the parties arises out of or in connection with this Agreement then the matter shall be resolved by the parties’ respective senior executives.
  3. This Agreement and any related dispute or claim (contractual or non-contractual) shall be governed by, and construed in accordance with, the law of England and Wales. Each party irrevocably submits for all purposes in connection with this Agreement to the exclusive jurisdiction of the courts of England and Wales.

SECTION 2

**CONTRIBUTION**

1. CONTRIBUTION
   1. Hull 2017 shall pay the Contribution to Producer in accordance with and subject to the terms and conditions of this Agreement.
   2. Producer agrees that the Contribution shall only be spent in accordance with the Production Budget.
   3. For the avoidance of doubt, Hull 2017 shall not be responsible for any costs incurred by Producer which are greater than the amounts to be provided by it in accordance with the Production Budget.
2. TAXATION
   1. Each party shall duly comply with all requirements imposed on it by any applicable law or competent authority relating to tax (whether of the UK or elsewhere) arising in connection with the Production, and each shall be solely responsible in respect of its liabilities, assessments and charges to such tax and any withholdings, deductions, penalties, fines, surcharges and interest relating to the same.
   2. Any sums payable and/or other consideration provided by either party to the other under this Agreement are exclusive of VAT (if any), which is properly chargeable on the same.
   3. The Contribution is eligible for consideration for taxable supply for VAT purposes.
   4. If the Producer is registered for VAT it must keep proper and up to date records and it must make those records available and give copies to Hull 2017 when requested.
3. PAYMENT SCHEDULE
   1. Subject to clause 3.2 below, Hull 2017 shall pay the Contribution to Producer in instalments in accordance with the following procedure:
      1. Producer shall complete the Reporting Template and submit both (i) the completed Reporting Template (the “**Progress Report**”) and (ii) a grant claim in the agreed form for the relevant payment period (“Grant Claim”) to Hull 2017 on the following dates:

On signing of agreed contract : £10,000   
August 1st 2016 : £10,000   
October 24th 2016 : £10,000   
January 2nd 2017 : £10,000   
April 11th 2017 : £1,700

(b) representatives of Producer and Hull 2017 shall meet (in person or by telephone) within ten (10) working days of the due date of each Progress Report to discuss and evaluate the Progress Report and after Hull 2017 has approved the Progress Report, Hull 2017 shall make payment of the relevant Instalment.

* 1. Unless Hull 2017 agrees otherwise, it shall not pay the Contribution to Producer at any time when:
     1. Hull 2017 is not satisfied with the information contained in either of (i) the Risk Register or (ii) the Progress Report; or
     2. an Event of Default has occurred and is continuing or would occur as a consequence of the payment of the Contribution; or
     3. any of the representations and warranties given in clause 6 would be incorrect in a material respect if it was then to be repeated by reference to the circumstances then pertaining.
  2. The final payment of the Contribution will be withheld until the Producer has:

1. submitted a final statement of income and expenditure against the Budget for the Production, signed by the senior finance officer of the Producer;
2. submitted a completed evaluation report of the Production; and
3. submitted all other documentation required under this Agreement. .
4. MONITORING

Producer shall throughout the Term provide Hull 2017 (and or its designees) with all information reasonably requested, and allow reasonable access to its premises or documentation relating to the Production, so as to enable Hull 2017 or its designees to (i) monitor the operation of the Production by Producer and the operation of this Agreement and (ii) undertake its own evaluation studies in order to inform Hull 2017 strategy development and delivery, from time to time.

1. REPRESENTATIONS AND WARRANTIES
   1. Producer represents and warrants that:
      1. no Event of Default has occurred and/or is continuing;
      2. Producer is not aware, after due enquiry, of anything which materially threatens the success or the completion of the Production;
      3. all information provided by or on behalf of Producer to Hull 2017 in connection with this Agreement, was true and accurate and not misleading when it was provided and nothing has occurred since then to make it untrue, inaccurate or misleading in any material respect; and
      4. Producer has disclosed to Hull 2017 all information which would or might reasonably be thought to influence Hull 2017 in the awarding of the Contribution to Producer.
   2. Producer agrees to immediately inform Hull 2017 if there is any change in the representations and warranties set out in clause 5.1.
   3. Whenever the Contribution is paid or requested, Producer is deemed to repeat these representations and warranties by reference to the circumstances then existing.
2. EVENTS OF DEFAULT
   1. Each of the events or circumstances set out in this clause 6.1 is an Event of Default (**Event of Default**):
      1. if at any time, Producer fails to perform or observe any term of this Agreement;
      2. if it becomes unlawful for Producer to perform any of its obligations under this Agreement;
      3. if at any time Producer has acted fraudulently or negligently in relation to this Agreement or the Production;
      4. if at any time any representation or statement made by or on behalf of Producer in this Agreement is not true and accurate in any material respect when made or deemed repeated;
      5. if any other event occurs which Hull 2017 reasonably believes will directly impact the ability of Producer to deliver the Production including but not limited to (i) Producer making significant changes to the Production Delivery Plan without the prior approval of Hull 2017 (ii) Hull 2017 reasonably believing that the Producer is not properly spending public monies (iii) there being a change of control of the Producer or (iv) the Producer being subject to an insolvency event.
   2. Producer shall promptly notify Hull 2017 if an Event of Default occurs or if Producer believes it will occur.
   3. If an Event of Default occurs Hull 2017 may at its sole discretion by notice to Producer and provided Hull 2017 has given Producer at least 30 days to rectify the Event of Default either (i) reduce the amount of the Contribution (ii) suspend all further payments of the Contribution and terminate this Agreement and/or (iii) make all or any further payments of the Contribution in respect of the Production subject to such further conditions as it may specify.
   4. Producer shall indemnify and keep indemnified Hull 2017 against all costs, expenses, actions, charges, claims, damages, proceedings and other liabilities sustained or incurred as a result of any Event of Default.
3. PUBLIC MONIES PROVISIONS
   1. Subject to clause 7.2, the Producer acknowledges and agrees that the Contribution shall constitute restricted funds such that the Contribution shall only be used by the Producer to satisfy costs in connection with the Production.
   2. The Producer acknowledges that the Contribution comes from public funds and it will not use the Contribution in a way that constitutes unapprovable State aid. In the event that it is deemed to be unapprovable State aid, then it will repay the entire Contribution with immediate effect.
   3. The Producer shall procure goods or services in a way that will give value for money. This means getting the best price for goods or services and having appropriate policies and procedures for competitive tendering in place for purchasing any capital items or services or a series of capital items or services The Producer understands that it must meet the relevant UK and European procurement legislation.
   4. The Producer will provide Hull 2017 with all reasonable assistance in the carrying out of any audit investigation of this Agreement.
   5. Producer agrees to ensure that, if required by Hull 2017, the Production’s accounts are certified by Producer’s auditors as a true and fair view of the Production.