



CALLAN METHOD ORGANISATION LIMITED

STANDARD TERMS AND CONDITIONS OF CALLAN ACCREDITATION

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Definitions and interpretation

1.1. The following words and expressions shall, wherever used in these Standard Terms and Condition of Callan Accreditation and within the Callan Accreditation Agreement shall have the following meanings:

“Business Day”	means any week day other than a bank holiday or public holiday in England.
“Business Hours”	means between 09:00 and 17:30 GMT on a Business Day.
“Callan Accreditation Agreement”	means the agreement entered into between CMO and the School of which these Standard Terms and Conditions of Callan Accreditation and the Standard Terms and Conditions of Territorial Exclusivity are a part. Each renewal of a Callan Accreditation Agreement will incorporate the latest version of the Standard Terms and Conditions of Callan Accreditation and the latest version of the Standard Terms and Conditions of Territorial Exclusivity.
“Callan Accreditation Fees”	means the Fixed Callan Accreditation Fee and the Variable Callan Accreditation Fee, as set out in Clause 8, which are payable by the School to CMO for the services set.
“Callan Accreditation Period”	means the date from which the Callan Accreditation Agreement begins until the date on which the Callan Accreditation Agreement ends.
“Callan Accredited School”	means a school which has entered into, and keeps current and in effect the Callan Accreditation Agreement.
“Callan Accredited Schools Area”	means the restricted area of the CMO website for Callan Accredited Schools.
“Callan Companies”	means Callan Method Group Holdings Limited, Callan Method Organisation Limited, Callan Works Limited, Callan Online Limited, Callan International Limited, or any subsidiary company of the aforementioned.
“Callan Materials”	means the all books, guides, manuals, training materials and other materials together with associated language teaching and study materials written or created by, or on behalf of, Mr. Callan or CMO or CWL in all revisions, editions, updates and replacements thereof and in all languages whether in written, printed, manuscript, tape, compact disc, digital or electronic form and howsoever delivered,

for use when teaching or learning languages using the Callan Method all of which are protected by international copyright.

“Callan Method”	means the rigorously structured and highly scripted programme of instruction originally created and developed by Mr. Callan as a fast and effective system for the teaching of languages to students and updated and extended by CMO from time to time.
“Callan Method Group Limited”	means a company incorporated in the United Kingdom with company number 09909630 with its registered office at 702, The Chandlery, 50 Westminster Bridge Road, London SE1 7QY, United Kingdom
“Callan Method Organisation Limited”	means a company incorporated in the United Kingdom with company number 07247355 with its registered office at 702, The Chandlery, 50 Westminster Bridge Road, London SE1 7QY, United Kingdom.
“Callan Method Teaching Standards”	means the minimum standards for teaching of languages using the Callan Method as set out in Appendix 1 as amended from time to time.
“Callan Name”	means the word Callan or Callana or any similar local language derivation.
“Callan Online Limited”	means a company incorporated in the United Kingdom with company number 07886867 with its registered office at 702, The Chandlery, 50 Westminster Bridge Road, London SE1 7QY, United Kingdom.
“Callan Shop”	means the online shop operated by CMO.
“Callan Student Practice Area”	means the restricted area of the CMO website which offers interactive learning materials to a Registered Student.
“Callan Style Guide”	means the document issued from time to time by CMO which defines how and where the Callan Name, the Callan Trade Marks, and the term 'a Callan Accredited School', together with Callan identified marketing materials, can be used by the School.
“Callan Trade Marks”	means the following Trade Marks:





and all other trade marks, historic, current and future, owned by CWL and exclusively licensed to CMO and all applications for or registrations of any of such trade marks anywhere in the world in the name of, or on behalf of, CMO and CWL, including without limitation, International Registration 786236 CALLAN.

“Callan Websites”

means the websites, whether they are archived, in development, current and future, that appear on the world wide web which are owned, in whole or part, by the Callan Companies.

“Callan Works Limited”

means a company incorporated in the United Kingdom with company number 07310498 with its registered office at 702, The Chandlery, 50 Westminster Bridge Road, London SE1 7QY, United Kingdom.

“Certificate of Callan Accreditation”

means the certificate issued by CMO in accordance with these Standard Terms and Conditions of Callan Accreditation stating the name of the School, the Teaching Location, the Callan Accreditation Period and recognising the School and the Teaching Location as being accredited to teach the Callan Method.

“Change of Control”

means a change in more than 50% of:
 (a) the management of the School; or
 (b) the legal power or right to select or directly or indirectly control the majority of the directors, managers or their equivalent; or
 (c) the ownership of the voting shares of the School
 whether immediately or when measured over a two year period.

“CMGH”

means Callan Method Group Holdings Limited

“CMO”

means Callan Method Organisation Limited.

“COL”	means Callan Online Limited
“CWL”	means Callan Works Limited.
“Effective Date”	means the date on which CMO and the School enters into the Callan Accreditation Agreement, being the last date on which either Party signed the Callan Accreditation Agreement.
“Excluded Use”	means the use of the Callan Name in the company name, business name or in the name of the School and the use of the Callan Name or Callan Trade Marks in any merchandising or promotional materials without prior written approval from CMO.
“Existing Callan School”	means a School which is already established and in operation whether already subject to a Callan Accreditation Agreement or not.
“Extended Territory”	means the territory and geographical area additional to that already included as the Territory as agreed with CMO and identified within the Callan Accreditation Agreement.
“Fixed Callan Accreditation Fee”	means the sum set per annum by CMO and which is set out in the Callan Accreditation Agreement .
“Force Majeure Event”	means an event, or a series of related events, that is outside the reasonable control of the party affected (including but not limited to power failures, industrial disputes affecting any third party, non-performance by suppliers or contractors, changes to the law (to include the imposition of an export or import restriction), disasters, pandemics, explosions, fires, floods, riots, terrorist attacks and wars).
“Minimum Quantities”	means the minimum number of Callan Method Student’s Books to be purchased each Callan Accreditation Period by the School as set out in the Callan Accreditation Agreement and in the absence of a figure in the Callan Accreditation Agreement the number shall be nil (zero).
“Mr. Callan”	means the late Robin Keith Terence Callan formerly of Orchard House, 45-47 Mill Way, Grantchester, Cambridge, CB3 9ND, United Kingdom.
“New School”	means a School that has, previous to entering the Callan Accreditation Agreement, not taught with the Callan Method or has not yet been Callan Accredited.
“Parties”	means CMO and the School .
“Registered Student”	means a student who has paid, or who is enrolled at the School to attend a Callan Method language course.

“Renewal Date”	means each and every anniversary of the Effective Date upon which the Callan Accreditation Agreement is renewed in accordance with Clause 7 and unless the Callan Accreditation Agreement is terminated prior to the Renewal Date in accordance with the provisions set out in Clause 10.
“Restricted Terms”	means the terms “Callan School”, “Callan London” and “Callan Online”.
“School”	means the Second Party to the Callan Accreditation Agreement with their name and address and Teaching Locations as set out therein.
“Standard Terms and Conditions of Callan Accreditation”	means these Standard Terms and Conditions of Callan Accreditation as amended from time to time by CMO and available at www.callan.co.uk .
“Starter Pack”	means the range of goods and services purchased by New Schools as amended from time to time by CMO and available at www.callan.co.uk .
“Teaching Location”	means each of the permanent premises used by the School for the teaching of a language course using the Callan Method and Callan Materials.
“Teaching Quality Review”	means the assessment of the teaching standards of the School carried out by CMO in accordance with the provisions of Clauses 6 and 7 to ensure that the Callan Method is being properly taught and to no less a standard than those set out in the Callan Method Teaching Standards and to ensure that the School is complying with the terms of the Callan Accreditation Agreement.
“Territory”	means the territory and geographical area enclosed within a 1(one) km radius from the School unless otherwise stated on the Callan Accreditation Agreement.
“Variable Callan Accreditation Fee”	means the sum based upon the number of Registered Students the School has recorded per annum.
“Year”	means a period of 365 (three hundred and sixty five) days or 366 (three hundred and sixty six) days if there is a 29 th February during the relevant period.

2. Application

- 2.1. These Standard Terms and Conditions of Callan Accreditation apply to the Callan Accreditation Agreement entered into between CMO and the School. They are without prejudice to, and do not amend or change, any specific undertaking or other written

agreement which CMO may have entered into with the School in connection with any other particular transaction or service or series of transactions or services.

- 2.2. These Standard Terms and Conditions of Callan Accreditation together with the Callan Accreditation Agreement from the entire legal agreement between the Parties and replaces and supersedes any previous proposals, correspondence, understandings or other communications whether written or oral.
- 2.3. In the event of any conflict between these Standard Terms and Conditions of Callan Accreditation and the Callan Accreditation Agreement and any other document which forms part of the Callan Accreditation Agreement, the Callan Accreditation Agreement will take precedence. In the event, and only to the extent, of any conflict arising between the Callan Accreditation Agreement and any referenced or attached document other than these Standard Terms and Conditions of Callan Accreditation, the Callan Accreditation Agreement will again take precedence.

3. Rights Granted

- 3.1. During the term of the Callan Accreditation Agreement, and conditional upon the School performing all of its obligations thereunder, CMO grants the School the rights to:
 - 3.1.1. use the Callan Name other than for an Excluded Use;
 - 3.1.2. use the Callan Trade Marks other than for an Excluded Use;
 - 3.1.3. advertise the School as being 'a Callan Accredited School'; provided that the use of the Callan Name, the Callan Trade Marks and the term 'a Callan Accredited School' shall always adhere to the Callan Style Guide.
- 3.2. No photograph or facsimile of Mr. Callan shall be included in any website or marketing materials without the prior written consent of CMO. If consent is granted, it must be referenced on the photograph or facsimile.
- 3.3. For the avoidance of doubt, the rights here granted are conferred to the School only and no right is extended to the School to offer such rights to any third party whatsoever, including but not limited to any agents, introducers or educational distributors of the School.

4. Obligations of CMO

- 4.1. CMO will:
 - 4.1.1. provide a Certificate of Callan Accreditation for each Teaching Location of the School within the Territory, recognising the School and that Teaching Location as being accredited to teach the Callan Method.
 - 4.1.2. provide a further Certificate of Callan Accreditation conditional upon the School having successfully passed the Teaching Quality Review and the Callan Accreditation Agreement having been renewed on the Renewal Date and all Callan Accreditation Fees having been paid before the Renewal Date.
 - 4.1.3. permit the School to display the Certificate of Callan Accreditation during the term of the Callan Accreditation Agreement only at the Teaching Location specified on the Certificate of Callan Accreditation.

- 4.1.4. permit the School to use the Callan Trade Marks on their website, in their signage and advertising materials provided such use complies with the terms of Clause 3 set out herein and with the Callan Style Guide.
- 4.1.5. provide the School with access to the Callan Accredited Schools Area.
- 4.1.6. provide each Registered Student with access to the Callan Student Practice Area for a period of twelve (12) months from the date they are registered with CMO as a student by the School unless, during this period, the Callan Accreditation Agreement is terminated in which case Clause 11.2.2 will apply. Access to the Callan Student Practice Area after the first twelve (12) months will require the School to register the student again as a Registered Student.
- 4.1.7. include the name of the School and each Teaching Location on the "Find a School" section on the CMO website together with a web link, as appropriate, to the website of the School.
- 4.1.8. offer formal training programmes in the teaching of the Callan Method to the School at a discounted price to the price stated at www.callan.co.uk.
- 4.2. CMO will provide each Teaching Location with its own account on the Callan Shop.
- 4.3. If Territorial Exclusivity is included in the Callan Accreditation Agreement CMO will not grant Callan Accreditation to any other School in the Territory or the Extended Territory during the Callan Accreditation Period in accordance with the Terms & Conditions of Territorial Exclusivity.

5. Obligations of the School

- 5.1. The School undertake to CMO that they will:
 - 5.1.1. teach from suitable premises.
 - 5.1.2. provide, maintain and keep in place for each Licenced School suitable physical teaching space to allow the Callan Method to be properly taught and the Business to be properly administered to meet customer demand in the Territory.
 - 5.1.3. teach the Callan Method in accordance with the methodology devised and created by Mr. Callan as set out in the Callan Materials at no less a standard than that which is set out in the Callan Method Teaching Standards.
 - 5.1.4. ensure that its teachers are properly experienced, effectively trained and are regularly monitored and supervised so that the best Callan Method learning experience is available to each and every Registered Student.
 - 5.1.5. register, and keep registered, each and every student enrolled on a Callan Method language course at each of its Teaching Locations on the Callan Student Practice Area.
 - 5.1.6. teach the Callan Method using only genuine Callan Materials purchased only from CMO or one of its authorised distributors.
 - 5.1.7. unless otherwise agreed by CMO in writing, ensure that each Teaching Location:
 - 5.1.7.1. operates its own account on the Callan Shop.
 - 5.1.7.2. is responsible for ordering its own stock of Callan Materials from the Callan Shop to sell to Registered Students.
 - 5.1.7.3. will, on request, provide to a Registered Student access to the School's own account on the Callan Shop.

- 5.1.8. purchase amounts of Callan Materials each year which are not less than the Minimum Quantities that shall from time to time be agreed.
- 5.1.9. not use any Callan Materials supplied other than on the agreed terms including terms specified in (i) the CMO Terms and Conditions under which they are supplied, (ii) the CMO Website Terms of Use and (iii) these Standard Terms and Conditions of Callan Accreditation. This means inter alia that the School will:
 - 5.1.9.1. keep any Callan Materials in the form in which it was supplied.
 - 5.1.9.2. not copy, photocopy, reproduce, transmit, make available, lend, rent, hire, adapt, modify, frame (by whatever means), link to, forward, create derivative works based upon, distribute, disseminate, publish or sub-licence the Callan Materials or in any way commingle the contents of the Callan Materials with any other third party content, and will not do any other act of copyright infringement, or otherwise use any of the Callan Materials or other material on the Callan Websites without first obtaining the written permission of CMO or unless specifically permitted by the Copyright Act 1968 or similar copyright legislation.
 - 5.1.9.3. not trade in the Callan Materials, except for reselling the Callan materials to Registered Students.
- 5.1.10. ensure that each Registered Student purchases not less than one new, bona fide copy of the Callan Materials appropriate to the stage at which they start learning English using the Callan Method and for each subsequent stage they reach whether this be in a physical hard copy book or an eBook in electronic format. maintains sufficient stock of the Callan Materials to ensure that each Registered Student is able to purchase the relevant Callan Materials as they require on demand and without delay.
- 5.1.11. only resell the Callan Materials to Registered Students.
- 5.1.12. pay the Callan Accreditation Fees on the due date in accordance with Clause 8.
- 5.1.13. not use the Callan Name in all categories set out in Excluded Use, unless specifically authorised by CMO to do so.
- 5.1.14. not apply for, or obtain, registration of the Callan Name or any trade or service mark in any country which consists of or comprises or is confusingly similar to the Callan Name or any of the Callan Trade Marks.
- 5.1.15. not use the Restricted Terms in all forms of advertising, to include any internet search terms, adverts, ad words or meta tags.
- 5.1.16. not teach, use or sell any plagiarised, derivative or alternative versions of the Callan Materials or any part of them as CMO shall in their sole opinion determine. For the avoidance of doubt, the School will only teach from, use or sell books and materials that are genuine Callan Materials.
- 5.1.17. only display the Certificate of Callan Accreditation at the Teaching Location. named on the Certificate of Callan Accreditation and at no other teaching place.
- 5.1.18. not transfer, or attempt to transfer, sub-licence or assign any Certificate of Callan Accreditation given to a Teaching Location to another location.

- 5.1.19. not claim that a Teaching Location is a Callan Accredited School under the terms of the Callan Accreditation Agreement if CMO has not provided that specific Teaching Location with a Certificate of Callan Accreditation.
- 5.1.20. not do, or omit to do, or permit to be done, any act which will or may weaken, damage or be detrimental to the Callan Name or Callan Trade Marks or the reputation or goodwill associated with the Callan Name or Callan Trade Marks, or which may invalidate or jeopardise any registration of any of the Callan Trade Marks.
- 5.1.21. keep CMO updated and informed as to the ownership, control and management of their business, their business address and each of their Teaching Locations together with all contact details including telephone numbers, web addresses and email addresses.
- 5.1.22. unless otherwise agreed in writing by CMO, not teach languages using any other method than the Callan Method except where CMO does not offer an equivalent product.
- 5.1.23. unless otherwise agreed in writing by CMO, not work with or engage any third party agents, introducers or educational distributors or enrol any students at the School from such persons, who:
 - 5.1.23.1. operate any website with a domain name that includes the Callan Name, the Restricted Terms and the words 'Callan Method' or any translation in any language of the aforementioned.
 - 5.1.23.2. operate any social media account with a username that includes the Callan Name, the Restricted Terms and the words 'Callan Method' or any translation in any language of the aforementioned.
 - 5.1.23.3. breach the Callan Trade Marks in any way.
 - 5.1.23.4. are conducting their business in a way which, it is reasonable to assume, is having or will have, a negative impact on the Callan brand or any of the Callan Companies.
- 5.1.24. the School or New School agrees that representatives from CMO may, at any time during normal school hours and on giving not less than 7 days' notice, be entitled to visit the premises of the School and at any Teaching Location and to attend classes being taught in order to:
 - 5.1.24.1. review teaching standards, provide feedback and assist the School in delivering language lessons using the Callan Method.
 - 5.1.24.2. examine records dealing with student registrations.

6. New School assessment and review

- 6.1. Prior to approval of Callan Accreditation all New Schools are required to:
 - 6.1.1. ensure that at least 1 (one) teacher meets the Callan Method Teaching Standards. If not, then at least 1 (one) teacher must attend and satisfactorily complete a full 5 (five) day official Callan training course.
 - 6.1.2. purchase the Starter Pack unless CMO has records of established book purchases where a New School has previously been teaching with the Callan Method.

- 6.2. When the New School has been teaching for a minimum of 12 (twelve) weeks from the date of application the New School will submit videos of a representative sample of their staff teaching with the Callan Method for CMO to complete the Teaching Quality Review.
 - 6.3. Should the Teaching Quality Review, in the sole opinion of CMO, not meet proper quality standards, address deficiencies identified and resubmit videos until such time as necessary standards are met.
 - 6.4. The New School is expected to have achieved Callan Accreditation within 6 (six) months of the date of application. Should the New School not satisfactorily complete the Teaching Quality Review within this period then CMO reserves the rights to terminate the application and obligations of Clause 11 will apply.
 - 6.5. Until such time as the New School achieves Callan Accreditation none of the rights granted in Clauses 4.1 and 4.3 will apply.
7. The Term and Renewal for Existing Schools
- 7.1. The Callan Accreditation Agreement will come into force on the Effective Date and will continue for a period of 12 (twelve) months.
 - 7.2. Each year, and no later than one month before each anniversary of the Renewal Date,:
 - 7.2.1. the School will provide to CMO a video recording of a representative sample of their teaching staff teaching with the Callan Method for CMO to complete the Teaching Quality Review.
 - 7.2.2. if the video shows that any of the teachers are not teaching to the Callan Method Teaching Standards then CMO shall have the right not to renew the Callan Accreditation Agreement until such time as the schools has, at CMO's sole discretion, successfully addressed all issues identified.
 - 7.2.3. the School is expected to have achieved a satisfactory Teaching Quality Review within 2 (two) months of the Renewal Date otherwise Clause 10.3 may apply.
 - 7.3. The Callan Accreditation Agreement will automatically renew for a further period of 12 (twelve) months upon the Renewal Date but this is conditional upon:
 - 7.3.1. the School having satisfied CMO as to the quality of teaching in accordance with Clause 7.2.
 - 7.3.2. the School having paid the all Callan Accreditation Fees as identified Clause 8.
 - 7.3.3. the Callan Accreditation Agreement not having been terminated by either Party before the Renewal Date.
8. Callan Accreditation Fees
- 8.1. The School will pay Callan Accreditation Fees to CMO.
 - 8.2. The Fixed Callan Accreditation Fees are set out in the Callan Accreditation Agreement.
 - 8.3. The Variable Callan Accreditation Fees will be published on the CMO website www.callan.co.uk as amended from time to time.
 - 8.4. The Fixed Callan Accreditation Fee is payable immediately on the Effective Date and no later than 15 (fifteen) days before the Renewal Date.
 - 8.5. The Variable Callan Accreditation Fee will be invoiced every three months in arrears and will be based upon the number of Registered Students registered in the previous three

months. The Variable Callan Accreditation Fee invoices are payable within 15 (fifteen) days of the date of their issue.

9. Copyright

- 9.1. The School acknowledges that the copyright in the Callan Materials, including any translations thereof, belongs exclusively to Callan Works Limited.
- 9.2. No changes, enhancements or modifications to the Callan Materials, including translations into other languages, may be made by the School without CMO's prior written consent.
- 9.3. If, whether permitted to do so or not by CMO, the School, or any of their employees or teachers, does make any changes, enhancements or modifications to the Callan Materials, including translations into other languages, then the copyright in such changes, enhancements, modifications or translations shall belong jointly to CMO and the Licensee in equal and indivisible shares in the Territory, and shall belong solely and exclusively to CMO outside of the Territory, and the School hereby grants to CMO an exclusive unrestricted worldwide perpetual licence to use such changes, enhancements, modifications or translations, without hindrance or limitation and without payment of a fee; it being agreed between the Parties that entering into the Territorial Exclusivity Agreement is sufficient consideration for the exclusive unrestricted worldwide perpetual licence (in favour of CMO) to use such changes, enhancements, modifications or translations.
- 9.4. The School undertakes to ensure that the provisions in Clause 9.2 and 9.3 above are binding upon all and any of their employees and all and any of their teachers who teach using the Callan Materials.

10. Exclusivity

- 10.1. The Callan Accreditation Agreement is exclusive only to the School. It is not extended to, and specifically excludes, any shareholders, partners, subsidiary companies, affiliates, associates, associated companies or related parties of the School. Specifically the School has no rights to grant, assign, sub-licence or sub-let any of the rights which CMO grants to the School under this Callan Accreditation Agreement.

11. Termination

- 11.1. The School may terminate the Callan Accreditation Agreement at any time by giving 30 (thirty) days' notice in writing to CMO.
- 11.2. CMO may terminate the Callan Accreditation Agreement at any time by giving 30 (thirty) days' notice in writing to the School.
- 11.3. CMO may terminate the Callan Accreditation Agreement by giving the School 14 (fourteen) days' notice in writing at any time should the School have failed to redress issues identified by CMO in a Teaching Quality Review.
- 11.4. CMO may terminate the Callan Accreditation Agreement immediately upon:
 - 11.4.1. there being a Change in Control of the School.
 - 11.4.2. the School having failed to comply with any of its obligations under Clause 3, Clause 5, Clause 7 or Clause 9.
 - 11.4.3. the School going into liquidation, becoming bankrupt, or becoming insolvent or is unable to pay its debts as they fall due.

12. Consequences of Termination

- 12.1. Upon termination of the Callan Accreditation Agreement the School at all Teaching Locations will immediately:
 - 12.1.1. return all Certificates of Callan Accreditation to CMO.
 - 12.1.2. stop claiming to be or advertising or promoting itself as a Callan Accredited School.
 - 12.1.3. remove the words 'Callan Accredited School' from all its advertising, merchandising and marketing materials.
 - 12.1.4. cease to use the Callan name and Callan Trade Marks in relationship to their business including but not limited to their signage and website.
- 12.2. Upon termination of the Callan Accreditation Agreement, CMO will immediately:
 - 12.2.1. stop registering any new students as a Registered Student; and
 - 12.2.2. remove access by the School and any of its Registered Students to the Callan Student Practice Area; and
 - 12.2.3. cease to provide the School access to the Callan Accredited Schools Area.
 - 12.2.4. cease to provide the School exclusivity over the Territory or the Extended Territory.
- 12.3. Where termination arises as a result of Clause 10.4,
 - 12.3.1. the School will, in addition to Clause 11.1, cease with immediate effect teaching with the Callan Method.
 - 12.3.2. CMO will, in addition to Clause 11.2, no longer permit purchase via the Callan Shop.
- 12.4. There will be no obligation upon CMO to refund or repay to the School any proportion of any Callan Accreditation Fee upon termination.

13. Data Protection

- 13.1. The School will:
 - 13.1.1. comply with all Data Protection legislation of the country in which the School is situated.
 - 13.1.2. state in its terms and conditions of business that it will supply to CMO the names and email addresses of all students when registering them on the Callan Student Practice Area.
 - 13.1.3. where necessary obtain the Registered Students' consent to the provision of their email address to CMO explaining that its purpose is to provide log in access to the Callan Student Practice Area.
- 13.2. CMO will:
 - 13.2.1. comply with all Data Protection legislation in England.
 - 13.2.2. not use the email addresses of Registered Students provided by the School for any reason whatsoever unless and until notice has been given that the Callan Accreditation Agreement will be terminated.

14. CMO will not be liable to the Licensee in respect of:

- 14.1. any loss of profits, income, revenue, use, production or anticipated savings of the Licensee;
- 14.2. any loss of business, contracts or commercial opportunities of the Licensee;
- 14.3. any loss of or damage to goodwill or reputation of the Licensee;
- 14.4. any loss or corruption of any data, database or software of the Licensee;
- 14.5. any special, indirect or consequential loss or damage of the Licensee;
- 14.6. any losses of the Licensee arising out of a Force Majeure Event.
- 14.7. any claim made against the Licensee for loss or unauthorised disclosure of data.
- 14.8. any claim made against the Licensee relating to the Business or otherwise, including but not limited to, any claim brought by a Registered Student.
- 14.9. any costs incurred by the Licensee in their defending any claim, or any damages the Licensee must pay in respect of any claim.
- 14.10. any loss or damages to the Licensee:
 - 14.10.1. arising from the irregular, improper or illegal use of the Callan Websites, by the Licensee or any third party, including but not limited to CMO's Shop, the Callan Student Practice Area and the Callan Accredited Schools Area; or
 - 14.10.2. as a result of the transmission or download of any computer viruses from the Callan Websites.
- 14.11. CMO's aggregate liability to the Licensee under the Territorial Exclusivity Agreement, including any collateral contracts, in relation to any event or series of related events, will not exceed the greater of the total amount paid or payable by the Licensee to CMO under the Territorial Exclusivity Agreement in respect of the Licence Fees during the thirty-six (36) month period immediately preceding the event or events giving rise to the claim, except that the amount shall be unlimited in respect of fraud or wilful neglect or default of CMO.
- 14.12. The Licensee's aggregate liability to CMO under the Territorial Exclusivity Agreement, including any collateral contracts, in relation to any event or series of related events, will not exceed £50,000 (fifty thousand pounds sterling), except that the amount shall be unlimited in respect of the fraud or wilful neglect or default of the Licensee.

15. Callan Websites

- 15.1. CMO will not be liable for any loss or damages to the School:
 - 15.1.1. arising from the irregular, improper or illegal use of the Callan Websites, by the School or any third party, including but not limited to the Callan Shop, the Callan Student Practice Area and the Callan Accredited Schools Area; or
 - 15.1.2. as a result of the transmission or download of any computer viruses from the Callan Websites.

16. Governing Law

- 16.1. The Callan Accreditation Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) will be governed by and construed in accordance with the laws of England.

- 16.2. The Parties irrevocably agree that the Courts of England will have exclusive jurisdiction to adjudicate any dispute or claim arising out of or in connection with the Callan Accreditation Agreement or its subject matter or formation (including non-contractual disputes or claims).
- 16.3. Any controversy or claim arising out of or relating to the Callan Accreditation Agreement, or breach thereof, and which is not amicably settled between the Parties will first be submitted to arbitration with the President of the Chartered Institute of Arbitrators in the United Kingdom appointing one or more Arbiters who will act in accordance with the rules and procedures of the Chartered Institute of Arbitrators who shall have the ability to:
 - 16.3.1. rule on their own competence.
 - 16.3.2. rule on the validity of the Callan Accreditation Agreement to be submitted to arbitration.
 - 16.3.3. make a decision on the amount of compensation which is to be paid by the Party in default to the Party that has been aggrieved.
 - 16.3.4. make a decision on the amount to be paid by the Party in default to the Party that has been aggrieved in compensation for all of its legal and professional expenses, travel and accommodation and any other expenses in connection with the arbitration hearing.
- 16.4. All arbitration hearings will take place in London, United Kingdom.
- 16.5. In the event that either Party does not accept and act upon the decision of the Arbiter within the time set by the Arbiter then either Party shall have the right to take the matter to legal trial bringing to the attention of the Court the findings and rulings of the Arbiter.
- 16.6. The Parties irrevocably waive trial by jury in any action or proceedings relating to the Callan Accreditation Agreement.
- 16.7. The Party found in default by a Court Judgement shall compensate in full the aggrieved Party for all of its legal and professional expenses, travel and accommodation and any other expenses in connection with both the arbitration hearings and the legal action notwithstanding any other provisions of the judgement.

17. Notices

- 17.1. Any notice given under the Callan Accreditation Agreement must be:
 - 17.1.1. in writing and in English; and
 - 17.1.2. delivered personally, sent by pre-paid first class post, or prepaid airmail or prepaid courier post, or by email (provided that when an email is sent an email acknowledgement has been received within 48) for the attention of the relevant person, and to the relevant address or email address as set out in the Callan Accreditation Agreement (or as subsequently notified by one Party to the other).
- 17.2. A notice will be deemed to have been received at the relevant time set out below (or where such time is not within Business Hours, when Business Hours next begin after the relevant time set out below):
 - 17.2.1. where the notice is delivered personally, at the time of delivery;
 - 17.2.2. where the notice is sent by first class post, 2 Business Days after posting;
 - 17.2.3. where the notice is sent by airmail, 10 Business Days after posting;

- 17.2.4. where the notice is sent by courier, at the time of delivery; or
- 17.2.5. where the notice is sent by email (providing the sending Party retains written evidence of the transmission), on receipt of the email acknowledgement by the other Party.
18. Partnership and Joint Venture
- 18.1. Nothing in the Callan Accreditation Agreement and no action taken by either CMO or the School, shall constitute, or be deemed to constitute, a partnership, joint venture, agency relationship, association, contract of employment or other co-operative activity between CMO and the School.
19. Force Majeure
- 19.1. It is clearly understood and agreed that a Party cannot be considered or adjudged to be in violation of the Callan Accreditation Agreement when the violation is involuntary, i.e. due to situation(s) beyond his/her/their control, such as Force Majeure Events.
- 19.2. Where a Force Majeure Event gives rise to a failure or delay in either Party performing its obligations under the Callan Accreditation Agreement (other than obligations to make payment) those obligations will be suspended for the duration of the Force Majeure Event. The time for performance of those obligations will be extended by an amount of time equivalent to the duration of the Force Majeure Event.
- 19.3. A Party who becomes aware of a Force Majeure Event which gives rise to, or which is likely to give rise to, any failure or delay in performing its obligations under the Callan Accreditation Agreement will:
- 19.3.1. forthwith notify the other; and
- 19.3.2. will inform the other of the period for which it is estimated that such failure or delay will continue.
- 19.4. The affected Party will take reasonable steps to mitigate the effects of the Force Majeure Event.
20. Validity of Agreement Provisions
- 20.1. If any clause of the Callan Accreditation Agreement is determined by any court or other competent authority to be unlawful and/or unenforceable, the other clauses will continue in effect. If any unlawful and/or unenforceable clause would be lawful or enforceable if part of it were modified, it shall be deemed modified to the minimum extent necessary to make the clause valid, legal and enforceable. If such modification is not possible, the relevant provision or part provision shall be deemed deleted and the rest of the clause will continue in effect (unless that would contradict the clear intention of the Parties, in which case the entirety of the relevant clause will be deemed to be deleted).
21. Survival
- 21.1. The provisions of these Standard Terms and Conditions of Callan Accreditation which expressly or by implication are intended to survive its termination or expiry will survive and continue to bind the Parties.

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Appendix 1 - Callan Method Teaching Standards

1. Teachers

- 1.1. Schools must be able to show that systems are in place for the provision of training for teachers in the correct use of the Callan Method. All teachers conducting lessons must have received training in the correct use of the Callan Method.
- 1.2. Teachers must be able to demonstrate their ability to plan Callan Method lessons effectively, and must maintain all necessary paperwork/systems for the effective administration of the classes they teach.
- 1.3. There must be clear procedures for monitoring all teaching staff, and for addressing unsatisfactory performance.
- 1.4. All teachers must have access to Callan Materials which are relevant to their role (i.e. the Teacher's Book, Teacher's Guide and the Demonstration Chart) so that they can conduct Callan Method lessons in accordance with Section 3 of this Appendix.
- 1.5. All teachers must monitor the progress of the individual students that they teach and take available measures to ensure that the learning of all students is appropriately managed.
- 1.6. All teachers must have an adequate command of the language being taught such that they are able to conduct effective lessons with the Callan Method at all levels that they teach. Teachers must be able to hear and effectively correct all types of student error.

2. Students

- 2.1. No student must be placed in the position of having to pay for any Callan Method lesson or product without first having had the Callan Method and its underlying methodology thoroughly explained to them.
- 2.2. There must be accurate records kept of all students' attendance.
- 2.3. Before joining a Callan Method course, all students must be given in writing an explanation of a procedure they can follow for providing feedback to the School regarding their Callan Method course. All feedback and any consequent action taken must be recorded, and CMO staff must be allowed access to these records.

3. The Callan Method Lesson

- 3.1. During all Callan Method lessons, teachers must:
 - 3.1.1. stand up at all times – The only time a teacher should sit is when involved in the reading or dictation parts of the lesson.
 - 3.1.2. ask all questions twice at speed – All questions should be asked both times at high speed. There should be no pause between the two questions.
 - 3.1.3. start the answer immediately for the student – An adequate prompt (i.e. 2 or 3 words of the answer) must be added to the end of the question the second time it is asked to ensure that the student starts to speak immediately.
 - 3.1.4. speak along with the student during the answer – The teacher must speak along with ("feed") the student during the answer so as to provide constant support to

the student. Feeding should be fast and urgent, and teachers must strive to time their feeding (pushing faster students and pulling slower ones) in such a way that the student can speak as fluently as possible.

- 3.1.5. ensure that students give long answers – The student must speak as much as possible. Teachers should, wherever possible, obtain a negative and then positive part to the answer.
- 3.1.6. ensure continuous speech – Throughout the lesson, either the teacher or one of the students should be speaking. There should be no significant pauses or periods of silence.
- 3.1.7. correct the students' errors – The teacher should strive to correct as many errors as possible of all types (grammatical, pronunciation etc.). Correction should be, whenever possible, by imitation. The teacher should first say "not", then imitate the error, and then say the correct utterance (e.g. "not 'pin', 'pen'"). The teacher should ensure that the student immediately repeats the correct version of the utterance and then the teacher should immediately continue feeding the rest of the answer to the student, or start the next question.
- 3.1.8. ensure that questions are not changed – Each question must be delivered exactly as it is printed in the official Callan Method Teacher's Books, and must not be changed in any way, unless not doing so would be inappropriate to the situation.
- 3.1.9. ensure that there is no chatting – The teacher must not initiate conversations with students during a lesson, and should prevent exchanges developing between students.
- 3.1.10. distribute questions equally among students – Both in question and answer work, and during readings, the teacher should ensure that, as far as possible, all students participate equally.
- 3.1.11. do readings and/or dictations whenever appropriate – The teacher should follow the relevant prompts in their books to make sure that readings and dictations are done appropriately so as to maintain the proper amount of revision for a class.

4. Class management

- 4.1. The School must have systems in place to ensure that the progress of each Callan Method class is well managed. The School should adhere to the relevant guidelines in the Teacher's Handbook or the Teacher's Guide to ensure that adequate revision takes place and that classes progress in a suitable manner through the different lessons and stages of the Callan Method.

5. Administration

- 5.1. There must be effective procedures in place for the appropriate timetabling of students, teachers, courses and classrooms.
- 5.2. All new students, prior to placement in a class, must be assessed adequately to determine the level of Callan Method class that will most benefit their learning of language. The School must, wherever possible, place a student in the class that best meets the student's needs according to this assessment.

5.3. The School must ensure that, as far as possible, all students are, at all times during their course, studying at the level that best suits their needs as learners.

6. Facilities to be made available to CMO staff

- 6.1. During any School Review, CMO staff involved in the School Review must be allowed:
- 6.1.1. to talk to current students in the School regarding the Callan Method service they are receiving;
 - 6.1.2. to choose the lessons that they wish to observe as part of the School Review;
 - 6.1.3. to access the School's records relating to student feedback on Callan Method courses and any consequent action taken.

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