

# Terms and Conditions of Outsourced Payroll Services

This contract is made on \_\_\_\_\_ between;

ePayMe ("Company"), whose office is Alba House, Mulberry Business Park, Fishponds Road, Wokingham, Berkshire RG41 2GY, and;

**\*\*Company Name\*\*** ("Client"), **\*\*Company Registered Address\*\***. Company Registration number: **\*\*\*\*\***

## 1. Introduction

This contract specifies the relationship between the Company and the Client in the provision of certain payroll services supplied by the Company to the Client.

## 2. Definitions

"Company"	ePayMe
"Client"	<b>**Company Name**</b>
"Services"	means the Services provided by the Company
"Working day"	means the hours between 9.00am and 5.30pm Monday to Friday, excluding bank holidays
"Working Hours"	means any hours during the working day
"Confidential Information"	means any information relating to or being the business or trade secrets of either the Client or Company which is disclosed by either party unless it is expressly defined in writing by the disclosing party that the information is not confidential, including but not limited to: <ul style="list-style-type: none"><li>a) Employee Information of both the Client and Company</li><li>b) Relating to the Clients of the Client or Company</li><li>c) Charges or fees charged by the Client to their Clients or by the Company to the Client</li><li>d) Business operations of the Client or Company</li><li>e) This Agreement</li></ul>

## 3. Scope of the services provided

The Company agree to provide the Services to the Client as specified in Schedules A & B of the contract. Including some or all of the following services;

- A Payroll
- B Reporting

## 4. Service Level Agreement

Both the Client and the Company agree to provide the minimum service levels in the Service Level Agreement in Schedule D of this Agreement.

## 5. Confidential Information

In the provision of the Services by the Company certain Confidential Information will be available to both the Client and Company.

**5.1** Any Confidential Information of the Client, which for the purposes of the provision of the services is made available to the Company, the Company undertake to protect the confidentiality of such information and its best

endeavours to do so. The Company will only use such information for the sole purpose of delivering the Services to the Client and not for any other commercial benefit not described under the terms of this agreement.

**5.2** The Company agrees not to disclose the Confidential Information to any third party other than the Company's employees for the express fulfilment of their duties in the provision of the Services to the Client.

**5.3** Any Confidential Information of the Company, which is made available to the Client, the Client undertakes to protect the confidentiality of such information.

**5.4** The Company and the Client agree not to disclose the Confidential Information to any third party.

## **6. Data Protection Act (the "Act")**

The Company is registered under the Data Protection Act as an [data processor] and has a policy in place to comply with the regulations of the Data Protection Act and warrants that they will continue to comply with any subsequent changes to the Act. The Client acknowledges that it is still liable under the Act as the owner of any personal information provided to the Company for the provision of the Services.

## **7. Client Monies**

The company will issue sales invoices to the Client once the week's payroll data has been processed. The Client will make payment of these invoices into a bank account, which has been designated as a client bank account. The client bank account will be operated by the Company in accordance with the rules on client accounts issued by the Institute of Accountants of England and Wales and as such the funds are to be held separately from the assets of the Company. The required payment will be made by the Client to ensure funds are received in the account by 12noon Thursday at the latest. The Company will transfer the funds out of the client account into its main account on the Friday morning once it has received confirmation from the Client that it is authorised to do so. If no authorisation is received, the Company will be entitled to make the transfer provided it has paid the relevant representatives as shown on the payroll data supplied to the Client.

## **8. Retention of records**

**8.1** During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you as soon as is practicable following the provision of our services. You should retain them for 6 years from the 31 January following the end of the tax year.

**8.2** Whilst certain documents may legally belong to you, unless you tell us not to, we intend to destroy correspondence and other papers that we store that are more than seven years old, other than documents that we consider may be of continuing significance. You must tell us if you require retention of any document.

## **9. Employment of Staff**

Both the Company and Client agree not to hire, make offers of employment, or use under a contract for or of services, whether directly or indirectly, or in any capacity, the permanent staff of either the Client and Company respectively either during the terms of this agreement and for a period of 12 months following the termination of this agreement.

For the avoidance of doubt, this clause excludes any contractors/ candidates/ Temporary Workers that are engaged by the Client via a Contract for Services, and which the Company provides Payroll Services to.

## **10. Payment and Fees**

The fees and payment terms are as specified in Schedule C of this agreement.

## **11. Limitation of Liability**

**11.1** The Company will provide the professional services outlined in this agreement with reasonable care and skill. However, the Company will not be responsible for any losses, including but not limited to, penalties, surcharges, interest or additional tax liabilities, arising from the supply by the Client or others of incorrect or incomplete information, or the Clients or others' failure to supply any appropriate information or its failure to act on the Company's advice or respond promptly to communications from the Company or the tax authorities.

**11.2** The Client and the Company agree to hold harmless and defend the each party against any misrepresentation supplied to the each party orally or in writing in connections with this agreement. The Client and the Company agrees that it will not bring any claim in connection with this agreement against any of the Client's or the Company's employees on a personal basis.

**11.3** The Company's liability under this entire agreement shall be limited to £100,000 in any one or series of incidents.

## **12. Contracts (Rights of Third Parties) Act 1999**

**12.1** A person who is not a party to this agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person, which exists or is available otherwise than pursuant to that Act.

**12.2** Any advice given to the Client by the Company is for the sole use of the Client and does not constitute advice to any third party to whom the Client may communicate it to. The Company accepts no responsibility to third parties for any aspect of the Company's services or work that is made available to any such third parties.

## **13. Termination of this Agreement**

**13.1** Without prejudice to any other power of termination the Client may terminate the Contract in writing with no less than three calendar months notice for any of the following reasons:

**13.1.1** The Company makes any material breach of contract which, where such breach is capable of remedy, the Client has failed to remedy following receipt of notification from the Company stating its intention to terminate the Contract and requiring such breach to be remedied within a reasonable period;

**13.1.2** The failure by the Company to make commission payment to the Client (detailed in Schedule C) within 7 days;

**13.1.3** The Company ceases or proposes to cease to carry on his business;

**13.1.4** The Company becomes bankrupt, or makes a composition or arrangement with its creditors or has a proposal in respect of its company for a voluntary arrangement for a composition of debts or a scheme or arrangement approved in accordance with the Insolvency Act 1986;

**13.1.5** The Company has an application made under the Insolvency Act 1986 to the Court for the appointment of an administrative receiver;

**13.1.6** The Company has a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding-up passed;

**13.1.7** The Company has a provisional liquidator, receiver or manager of its business or undertaking duly appointed;

**13.1.8** The Company has possession taken, by or on behalf of the holders of any debentures secured by a floating charge, of any property comprised in or subject to the floating charge;

**13.1.9** The Company is in circumstances which entitle the Court or a creditor to appoint, or have appointed, a receiver, a manager, or administrative receiver, or which entitle the Court to make a winding up order;

**13.1.10** There is a change of control of the type referred to in Clause 15 (Merger, Take-over or Change of Control), and the Client has not agreed in advance in writing to the particular change of control, save that in this event the Client shall give one month's notice in writing to the Company.

**13.2** Either party may at any time for any reason terminate the Contract by giving at least three months' written notice to the other party.

**13.3** Upon termination of this agreement:

**13.3.1** The Company agrees to share with the Client any relevant information necessary to facilitate the continuous payment of contractors/ candidates/ Temporary workers including, but not limited to P45 forms, final payroll figures, expenses claims to date and correct tax coding for each contractor/ candidate/ Temporary Worker.

**13.3.2** The Client agrees to give the Company access to any relevant paperwork to enable the Company to comply with audit requests including, but not limited to, timesheets and copies of contractor/ candidate/ Temporary Workers' proof of ID and address.

#### **14. Exclusive Appointment**

The Client is not required to engage the sole and exclusive services of the Company as specified in the terms of this agreement and can appoint any other person to provide the same or similar services to the Company.

#### **15. Systems Maintenance and Disaster Recovery**

The Company agrees to have in place proper procedures to safeguard the data maintained on behalf of its Clients. Including but not limited to;

- a) All data will be backed up on a daily basis
- b) Month end back up tapes will be taken and permanently stored off-site
- c) In the case of a major disaster, systems will be restored within 24 hours

The Company limits its liability under this clause 16 to £100,000 in any one or series of incidents.

#### **16. Severance**

If any of the clauses within this Agreement or the schedules, which form part of the Agreement, is found by a court to be void or unenforceable, it shall be deemed to be deleted from this Agreement and all other clauses shall remain in force.

**17. Proper Law**

This agreement shall be governed and construed in accordance with English Law and the parties hereto irrevocably submit to the exclusive jurisdiction of the English Courts of Law.

**Signed by the Company**

**Signed by the Client**

**Name:** **Andrew Johnston** .....

**Position:** **CEO** .....

**Signed:**  .....

**SCHEDULE A  
Payroll**

The Company shall provide the following services:

1. Receive timesheets from Client on a weekly/fortnightly/monthly basis and input all data required to calculate the net pay for all candidates that supply a timesheet to client and any supporting documentation required to calculate the net pay.
2. Candidates can either be paid under the PAYE, Umbrella schemes or Hybrid.
3. Production and issue of all weekly, fortnightly or monthly payslips to candidates.
4. Preparation and submission of BACS transmissions for payment of earnings into contractor's bank accounts.
5. The calculation, where necessary of PAYE, NI, WTFC, SMP, SSP and holiday pay for all relevant candidates where applicable.
6. Processing and completion and issue of P45s to all relevant persons.
7. Dealing with all pay enquiries from contractors.
8. Dealing with Inland Revenue pay and Tax enquiries
9. Where Swedish Derogation contracts are active, the Client agrees to indemnify the PBA (Pay Between Assignments) for each qualifying week to the maximum of 4 weeks and this will be chargeable alongside the weekly pay log.

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**SCHEDULE B  
Reporting**

The Company shall provide the following services:

1. Each week the Company will provide a report/invoice to the Client in a pre agreed format on the total payroll.

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**SCHEDULE C**  
**Fees and Payment Terms**

1. Invoices are due upon receipt. No salaries will be paid until cleared funds have been received from the Client.
  2. Should payment be delayed, the Company reserve the right to charge £35 + vat per employee payment per day until funds have been received.
  3. Eligible Statutory Payments will be invoiced on a week-by-week basis for all qualifying workers.
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**SCHEDULE D**  
**Service Level Agreement**

**The Company agrees to:**

1. Pay all candidates each week that supply a valid and authorised timesheet to the Company by the agreed deadline of 4pm Tuesday following the week worked.
2. Provide the weekly reporting to the Client by 1pm on the following day that the payroll has been sent to the Company
3. Respond to all candidate or Client queries within 4 working hours of registering the query or if a query cannot be answered an expected time to resolve the query.
4. Respond to all Inland Revenue enquiries within a reasonable time period normally acceptable by the Inland Revenue.

**The Client agrees to:**

1. Provide the Company access to all relevant identification and right to work information as required by UK Borders and Immigration.
2. Supply all relevant information to the Company in a timely manner pertaining to:
  - a. New Contractors registration details as specified in the ePayMe registration forms
  - b. Relevant tax information including either a relevant P45/46
  - c. Changes to assignment schedules
  - d. Contract and candidate terminations