



SELECT PAYROLL SOLUTIONS LIMITED
STANDARD TERMS AND CONDITIONS OF BUSINESS

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1. Definitions

The Company means Select Payroll Solutions Limited (registered number 6594724) whose registered office is 148 Kineton Green Road, Solihull, West Midlands, B92 7EF.

'The Customer' means the organisation identified in the 'Customer Name' section of the Contract Form.

'Input Data' means the information provided by the Customer for each payroll run for processing by Select Payroll Solutions and in a format compatible with the Select Payroll Solutions Service.

'Minimum Contract Period' means 12 months from the date of this contract.

'Pay Date' means the date described as such on the Contract Form.

'Select Payroll Solutions Service' refers to the chosen services as appear on the web site Summary

'Payroll Set-Up Information' means the information provided by the Customer which allows the Company to define how and when the Input Data is to be processed by Select Payroll Solutions.

2. The Company's Obligations

2.1 The Company will arrange for implementation of their service to start on the nominated Pay Date or such other agreed date ("the Implementation Date") provided the said date is notified to the Company in sufficient time failing which implementation will start as soon as reasonably possible and continue on the appointed nominated pay date. Time shall not be of the essence in respect of any dates agreed by the parties in connection with this agreement.

2.2 The Company will provide and maintain its services in accordance with UK statutory requirements and provide standard reporting to enable the Customer to meet its statutory obligations.

2.3 The Company may vary the Service Description from time to time at its discretion. Any major changes to the Service Description shall be notified to the Customer who will be advised to read the amendments on the Company's web site. The Company will not be responsible for a failure on the part of the Customer to carry out this request. The current Service Description will be found on the Company's web site

3. Customer's Obligations

The Customer will:

3.1 be solely responsible for the security, audit controls and provision of back-up copies of its data and for keeping an archive copy of all original payroll instructions sent to Select Payroll Solutions until the end of the relevant statutory retention period; and

- 3.2 be responsible for making all payments to the Inland Revenue by the required dates unless the Customer has contracted Select Payroll Solutions to provide this disbursement service; and
- 3.3 undertake and comply with the Customer's responsibilities set out in the Company's Service Description as found on our website.
- 3.4 provide sufficient information to the Company for the calculation of the Customers payroll obligations and approve the same before payment each month. Such approval must be expressly communicated to the Company no later than the close of business on the fourth working day before payment of that BACS listing is due.
- 3.5 In the event that the Customer waives the condition to sign off or approve the payroll calculation on a month to month basis it accepts that the Company will not be responsible for any errors appearing because of the Customers failure to provide any information required for the calculations.
- 3.6 Pay all monies due to the Company within 30 days of invoice per Clause 4 below.
- 3.7 The Customer must provide 3 months notice in writing to the Company indicating its intention to terminate the contract at the end of the 12 months period. In the event that it fails to do so this contract will continue for a further 12 month period.

4. Charges

- 4.1 The parties will agree a monthly fee for the Company's service and the same will appear on the Contract Form. The Customer agrees to arrange for a BACS transfer of the monies due on the agreed payment date
- 4.2 In the event that the Customer fails to make any such BACS payment without prior written agreement from the Company this contract will be treated as terminated by the Customer and the Customer will become liable for payment of the full contractual fee immediately.
- 4.3 If the Customer fails to comply with any of the terms of payment for more than 7 days after receipt of a written demand for payment, then the Company reserves the right to suspend performance of this agreement without incurring any liability to the Customer, and the Customer shall remain liable to the Company for all existing and continuing Charges due under this agreement.
- 4.4 Without limiting any other right or remedy of the Company, if the Customer fails to make any payment due to the Company under the Contract by the due date for payment (**Due Date**), the Company shall have the right to charge interest on the overdue amount at the rate of 10% per cent per annum from the Due Date until the date of actual payment of the overdue amount, whether before or after judgment, and compounding quarterly.

- 4.5 The Customer shall pay all amounts due under the Contract in full without any deduction or withholding except as required by law and the Customer shall not be entitled to assert any credit, set-off or counterclaim against the Company in order to justify withholding payment of any such amount in whole or in part. The Company may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Company to the Customer.
- 4.6 In the case of any overdue payment, the Company will charge interest and claim compensation for debt recovery and VAT in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 without prejudice to any other rights of the company and the client will be required to pay all legal costs incurred by the Company in the recovery of the debt.

5. Variation of the Contract

- 5.1 In the event that the Customers workforce changes in number by a factor of 25% or more of the total number at the onset of this agreement they will notify the Company in writing and this contract will automatically terminate. The Company will recalculate the contract value based on the new number of employees and invite the Customer to enter into a new contract for a fixed period. In the event that the Customer fails to enter into a new contract with the Company the payment charges found at clause 9.3 below apply.
- 5.2 Charges for each processing period may vary, dependant on the number of payslips produced, in accordance with the details set out on the Contracts Form, subject always to the provisions of clause 9.3.
- 5.3 In addition to any increases pursuant to clause 5.1, all the periodic charges are subject to an annual percentage increase by reference to the Retail Price Index (RPI) published by the National Statistics office or up to 5%, whichever is the greater.
- 5.4 In the event that the Customers demands fall outside of the agreed service description after commencement of this contract, the Company will recalculate the payment terms of this contract and notify the Customer of any increases.

6. Warranty

The Company warrants that: it will use all reasonable skill and care in the course of performing this agreement. Except as aforesaid, the Company gives no other warranties or representations with regard to the Company's Service. Any further warranties or conditions, express or implied, statutory or otherwise are excluded from this agreement to the extent permitted by law.

7. BACS and Third Parties

The Company's Service includes, where required by the Customer, only the transmission of payment instructions to BACS. It does not include the processing of those instructions by BACS. Accordingly, the Company does not accept responsibility for the execution of such instructions by BACS or the performance of any other third party in connection with but outside the scope of the Company's Service (including without limitation the transmission of Input Data or output through third party service providers). The Company shall not be responsible for the consequences if BACS or other third parties are unable to receive, transmit or execute data, other than by reason of Select Payroll Solution's negligence or breach of contract.

8. Data Protection Act

The Customer, as Data Controller, will comply with the Data Protection Act 1998 ("the Act") and any future legislation enacted in replacement of the Act. Select Payroll Solutions, acting as Data Processor (as defined in the Act), will comply with the 7th principle of the Act and any future legislation enacted in replacement of the Act.

9. Termination

This contract is for a fixed period of 12 months and can only be terminated in the following circumstances:-

9.1 The Customer must provide 3 months notice of its intention to cancel the contract at the end of the 12 month period, failing which it will roll on for a further period of 12 months.

9.2 Either party may terminate this agreement by written notice to the other party:

- i. forthwith if the other party commits any material breach of the terms of this agreement and, in the case of a breach capable of being remedied, such breach is not remedied within 30 days of a written request to do so;
- ii. forthwith if the other party has a receiver or administrative receiver appointed over its assets;
- iii. passes a resolution for winding up (otherwise than for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);
- iv. a court of competent jurisdiction makes an order to that effect;
- v. becomes subject to an administration order;

- vi. enters into any voluntary arrangement with its creditors; or
- vii. ceases or threatens to cease to carry on business;

9.3 This agreement is terminated before the end of the contractual term other than by reason of the Company's default, the Customer will become liable to pay the following :-

- (i) The balance of monies due for the contractual period;

9.4 In the event that the Customer fails to meet any of its obligations under this agreement and such failure prevents the Company from carrying out its services the Company shall be entitled to terminate this agreement on 30 days written notice to the Customer and the provisions of Clause 9.3 shall apply.

9.5 Termination of this agreement will not affect any accrued rights or liabilities of either party or the continuance in force of any provision which is expressly or by implication intended to come into or continue in force on or after termination.

10. Liability

10.1 If either party fails to comply with its obligations in this agreement, it will be entitled to 28 days to correct any errors and perform its obligations. Where a party becomes aware that the other party is in default of this agreement or is about to become in default of this agreement it will notify the other party of the circumstances as soon as practicable.

10.2 It is understood by both parties that a failure on the part of the Customer to provide all payroll information to the company releases the Company from any liability for errors in the payroll calculations and any subsequent loss arising therefrom.

10.3 Each party's liability to the other for claims for direct physical damage to the other's tangible property caused by negligence and/or breach of contract is limited to £250,000 for each event or series of linked events.

10.4 Without limiting the Customer's liability to pay the charges, neither party shall be liable to the other for any loss of profit, loss of business, loss of goodwill, loss of savings, claims by third parties, whether arising directly or indirectly or any indirect loss or consequential loss whatsoever and howsoever caused whether arising under tort, including negligence, or breach of contract or breach of statutory duty or otherwise and even if that party was advised that such loss would probably result.

10.5 Except as provided in clauses 10.2 and 10.3 and without prejudice to clause 10.4 each party's aggregate liability to the other for all claims, losses, damages or expenses whatsoever and

howsoever caused (whether arising under tort, including negligence, or breach of contract or breach of statutory duty or otherwise) shall be limited to the sum of £25,000.

10.6 This agreement is enforceable by the original parties to it and their successors in title and permitted assignees. Any rights of any person to enforce the terms of this agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 are excluded.

11. Force Majeure

Neither party will be liable for any failure or delay in performing its obligations under this agreement if the failure or delay is caused by circumstances beyond its reasonable control. Provided that party in default notifies the other party promptly in writing of the reasons for and likely duration of the failure or delay, then the performance of the parties' obligations shall be suspended during the period that the circumstances persist.

12. Confidentiality

Each party undertakes to keep and treat as confidential all non-public domain information concerning the business and affairs of the other which it receives as a result of or in connection with this agreement, nor make use of such information for any purpose whatsoever, except for the purposes of this agreement.

13. Waiver

No delay or indulgence by either party in enforcing this agreement shall prejudice or restrict the rights of that party. A waiver of its rights shall not operate as a waiver of any subsequent breach. No right, power or remedy conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and the rights, powers and remedies shall be cumulative.

14. Assignment and Subcontracting

The Company shall be entitled to assign, transfer or sub-contract this agreement or any of its rights and obligations under it, whether in whole or in part, with the prior written consent of the Customer, such consent not to be delayed or withheld. The Customer shall not assign, transfer or sub-contract this agreement or any of its rights and obligations under it, whether in whole or part without the prior written consent of the Company (not to be unreasonably withheld or delayed). The Company shall be entitled to charge a fee in respect of the work required to facilitate an assignment by the Customer and consent may be conditional upon the assignee committing to providing adequate training to relevant employees of the assignee.

15. Variation

No addition to, or modification of, any provision in this agreement will be binding unless made in writing and signed by duly authorised representatives of the parties.

16. Entire agreement

This agreement and the documents executed under it supersede all prior agreements, arrangements and understandings between the parties and constitute the entire agreement between the parties relating to the the Company's Service. The Customer warrants to the Company that the Customer has not been induced to enter into this agreement by any prior representations whether oral or in writing, except as specifically contained in this agreement. This agreement shall apply to the exclusion of, and shall prevail over, any terms and conditions contained or referred to in any documentation submitted by the Customer or in any correspondence or otherwise.

17. Invalidity and Severability

If any provision of this agreement is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, then the invalidity or unenforceability shall not affect the other provisions of the agreement and all provisions not affected shall remain in full force and effect. Both parties will attempt to substitute with a valid or enforceable provision, which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.

18. Governing Law

This agreement will be governed and construed in accordance with English law and the parties submit to the exclusive jurisdiction of the English court.