

# MINSTRELL ENGINEERING LIMITED Standard Terms of Engagement

# 1. **DEFINITIONS**

1.1. In these Terms of Business the following definitions apply:-

| "Assignment"          | Means the period during which the Contractor is supplied by the  |
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|                       | Employment Business to render services to the Client;  |
| "Client"              | Means the person, firm or corporate body together with any subsidiary or associated company as defined by the Companies  |
|                       | Act 1985 to whom the Contractor is introduced;   |
| "Contractor"          | Means the Individual, firm, or limited company engaged by the Employment Business to supply services to the Client (which includes any officer, employee, subcontractor or representative of   |
|                       | Contractor):   |
| "Employment Business" | Means Minstrell Engineering Ltd, Clippers House, Clippers Quay, Salford Quays, M50 3XP   |
| "Engagement"          | Means the use of the Contractor's services or the services of any officer, employee, subcontractor or representative of the Contractor directly by the Client or any third party or through any other employment business on a temporary basis whether under a contract of service or for services, or an agency, licence, franchise or partnership arrangement; or any other engagement;  |
| "Introduction"        | Means (i) the client's interview of an officer, employee, or representative of the Contractor, in person or by telephone, following the client's instruction to the employment Business to supply a contractor or (ii) the passing to the Client of information which identifies a contractor; and which leads to an Engagement. An introduction remains valid for a period of six (6) months from the date of provision of the information or the interview by the Client whichever is the later. |
| "Introduction Fee"    | Means the fee payable in accordance with clause 7 below and Regulation 10 of the Conduct of Employment Agencies and Employment Businesses Regulations 2003.  |
| "Remuneration"        | Includes base salary and/or fees, guaranteed and/or anticipated bonus and commission earnings, allowances, inducement payments, and all other payments taxable, (and, where applicable, non-taxable) emoluments payable to or receivable by the Contractor for services rendered to or on behalf of the Client or any third-party.   |
| "Relevant Period"     | Means the later of either 14 weeks from the first day on which the Contractor was supplied by the Employment Business to work for the Client or 8 weeks from the day after the Contractor was last supplied by the Employment Business to the Client.  |
| "Transfer Fee"        | Means the fee payable by the Client in accordance with clause 7.1 and Regulation 10 of the Conduct of Employment Agencies and Employment Businesses Regulations 2003.  |

- 1.2 Unless the context otherwise requires, references to the singular include the plural.
- 1.3 The headings contained in these Terms are for convenience only and do not affect their interpretation.

## 2.0 THE CONTRACT

- 2.1 These Terms constitute the contract between the Employment Business and the Client for the supply of the Contractor's services to the Client and are deemed to be accepted by the Client by virtue of its request for, interview with or engagement of a Contractor or the passing of any information about a Contractor to any third party following an Introduction.
- 2.2 The Contractor's obligation to provide the services shall be discharged by any such operatives engaged by the Contractor (including for the avoidance of doubt any employees or subcontractors) as the Contractor may consider appropriate. The Contractor shall be entitled to assign or sub-contract the manner in which the services are provided on the condition that that the terms of any such assignment or sub-contract agreement shall not conflict with these Terms.
- 2.3 These terms contain the entire agreement between the parties and unless otherwise agreed in writing by a director of the Employment Business, these Terms prevail over any terms of business or purchase conditions put forward by the Client.
- **2.4** No variation or alteration to these Terms shall be valid unless approved by the Employment Business in writing.
- 2.5 The Employment Business shall notify the Client (in a prescribed manner) in the event that an incorporated body makes a decision to opt-out of the Conduct of Employment Agencies and Employment Businesses Regulations 2003 in respect of the Assignment.

## 3.0 CONFIRMATION OF ASSIGNMENTS

- 3.1 Prior to the commencement of the Assignment, the Employment Business will send to the Client written confirmation of the Assignment specifying the duration of the Assignment, the identity of the Contractor, the hourly rate charged by the Employment Business together with such expenses as may have been agreed, any notice period to terminate the contract, the intervals at which invoices shall be rendered to the Client by the Employment Business, that the Contractor supplied to do the work has the necessary or required experience, training, qualifications and any authorisation required by law or a professional body to work under the Assignment, and whether the Contractor has elected to be supplied to the Client through a third-party intermediary structure.
- 3.2 Where such information is not given in paper form, or by electronic means, it shall be confirmed by such means by the end of the third business day (excluding Saturday, Sunday, and any public or bank holiday) following, save where the Contractor is being introduced for an Assignment in the same position as one in which the Contractor has previously been supplied within the previous five business days and such information has already been given to the Client.

# 4.0 CHARGES

- 4.1 The Client agrees to pay the hourly charges of the Employment Business as notified at the commencement of the Assignment and which may be varied from time to time during the Assignment. The charges are calculated according to the number of hours worked by the Contractor (to the nearest quarter hour) and comprise mainly the Contractor's hourly rate but also include the Employment Business's margin calculated as a percentage of the Contractor's hourly rate, any travel, hotel or other expenses as may have been agreed with the Client or, if there is no such agreement, such expenses as are reasonable, and National Insurance Contributions. VAT, if applicable, is payable on the entirety of these charges.
- 4.2 The charges are invoiced to the Client on a weekly basis and are payable within 7 days. Any deviation shall be required to be evidenced in writing. The Employment Business reserves the right to charge interest on any overdue amounts at the rate of 8% per annum above the base rate of the Bank of England from the due date until the date of payment.
- 4.3 There is no rebate payable in respect of the charges of the Employment Business.

## **5.0 TIME SHEETS**

- 5.1 At the end of each week of the Assignment (or at the end of the Assignment where the Assignment is for a period of less than one week or is completed or finished before the end of a week/ month) the Client shall sign the Employment Business's time sheet verifying the number of hours worked by the Contractor during that week of the Assignment.
- 5.2 Signature of the time sheet by the Client is confirmation of the number of hours worked and constitutes acceptance that the Contractor's services have been provided for the hours indicated in accordance with these Terms. Failure to sign the time sheet does not affect the Client's obligation to pay the charges in respect of the hours worked.

## **6.0 PAYING THE CONTRACTOR**

**6.1** The Employment Business is responsible for arranging for payment to be made to the Contractor and for deducting any sums as may be required by law including without limitation any sums due to the HM Revenue and Customs pursuant to the Construction Industry Scheme.

## 7.0 INTRODUCTION FEES

- 7.1 In the event of the Engagement of a Contractor supplied by the Employment Business either (1) directly by the Client or (2) by the Client pursuant to being supplied by another Employment Business, within the Relevant Period, the Client shall be liable to either:
  - (a) subject to electing upon giving seven (7) days notice, an extended period of hire of the Contractor being 20 weeks during which the Employment Business shall be entitled to the charges set out in clause 4.1 above for each hour the Contractor is so engaged, or if applicable, the new hourly rate payable, required to meet obligations under AWR due to a contractor having worked for 12 weeks plus for the client, or
  - (b) A Transfer Fee calculated as follows: 18% of the Remuneration applicable during the first 12 months of the Engagement or, if the actual amount of the Remuneration is not known, the hourly rate set out in clause 4.1 multiplied by 370. Any deviation shall be required to be evidenced in writing. No refund of the Transfer Fee will be paid in the event that the Engagement subsequently terminates. VAT is payable in addition to any fee which may be due.
- 7.2 The direct Engagement by a Client of a Contractor introduced and/or supplied by the Employment Business, or the introduction by the Client of a Contractor to any third party resulting in an Engagement renders the Client subject to the payment of an introduction fee calculated at 18% of the Remuneration applicable during the first 12 months of the Engagement or if the actual amount of the Remuneration is not known, the hourly rate set out in clause 4.1 multiplied by 370. No refund of the Transfer Fee will be paid in the event that the Engagement subsequently terminates. VAT is payable in addition to any fee which may be due.
- 7.3 If a Client subsequently engages the Contractor within a period of 6 calendar months of the termination of an Engagement, interview or provision of information, a fee calculated in accordance with clause 7.1 above will be due. Where the Client fails to inform the Employment Business of the annual Remuneration, the introduction fee will be calculated by multiplying the hourly charge of the Employment Business for the Contractor's services by 370. No refund of the introduction fee will be paid in the event that the engagement subsequently terminates. VAT is payable in addition to any fee due.
- 7.4 In the event that there is an introduction of a Contractor to the Client which does not result in the supply of the Contractor by the Employment Business to the Client but which leads to the Engagement of the Contractor by the Client either directly or pursuant to being supplied by another Employment Business, the Client shall be liable to a fee as set out in clause 7.1 above.
- 7.5 In the event that the Engagement of the Contractor is for a period less than twelve months, the fee in this clause 7 will apply pro-rata. If the engagement is extended beyond what was initially envisaged or the Client re-engages the Contractor within 6 months of the termination of the first Engagement the Client shall pay a further fee based on the additional Remuneration applicable for the period of Engagement following the initial Engagement up to the termination of the second Engagement or the first anniversary of its commencement whichever is sooner.
  - **7.6** In the event that any employee of the Employment Business with whom the Client has had dealings, accepts an Engagement with the Client within six months of leaving the employment of the Employment Business, the Client shall be liable to pay an introduction fee in accordance with clause **7.2** above.

## **8.0 LIABILITY**

- 8.1 Whilst every effort is made by the Employment Business to give satisfaction to the Client by ensuring reasonable standards of skills, integrity and reliability from Contractors and to provide the same in accordance with the Assignment details provided by the Client, no liability is accepted by the Employment Business for any loss, expense, damage, costs or delay arising from the failure to provide a Contractor for all or part of the period of the Assignment or from the negligence, dishonesty, misconduct or lack of skill of the Contractor or if the Contractor terminates the Assignment for any reason. For the avoidance of doubt, the Employment Business does not exclude liability for death or personal injury arising from its own negligence.
- 8.2 The Client will comply in all respects with all relevant statutes, by-laws and legal requirements including provision of adequate Public Liability insurance in respect of the Contractor, Working Time Regulations and Health and Safety at Work Act. The Client shall indemnify the Employment Business against any costs, claims, damages and expenses incurred by the Employment Business as a result of any breach of these Terms by the Client.
- 8.3 The Client shall advise the Employment Business of any special health and safety matters about which the Employment Business is required to inform the Contractor and about any requirements imposed by law or by any professional body, which must be satisfied if the Contractor is to fill the Assignment. The Client will assist the Employment Business in complying with the Employment Business' duties under the Working Time Regulations by supplying any relevant information about the Assignment requested by the Employment Business and the Client will not do anything to cause the Employment Business to be in breach of its obligations under these Regulations. Where the Client requires or may require the services of a Contractor for more than 48 hours in any week, the Client must notify the Employment Business of this requirement before the commencement of that week.
- **8.4** In the event that special circumstances arise for example caring for or attending one or more persons under the age of eighteen or any person who by reason of age, infirmity or who is otherwise in need of care or attention, the Employment Business will take all reasonable steps to ensure that the Contractor or person supplied by the Contractor is suitable for the Assignment.
- 8.5 The Client shall indemnify and keep indemnified the Employment Business against any costs, claims or liabilities incurred by the Employment Business arising out of any Assignment or arising out of any non-compliance with clauses 8.1 and 8.3 and/or as a result of any breach of these Terms by the Client.

# 9.0 TERMINATION OF THE ASSIGNMENT

- 9.1 The Client may terminate the Assignment by giving to the Employment Business in writing the period of notice specified in the written confirmation.
- **9.2** Notwithstanding the provisions of sub-clause 9.1 the Client may terminate the Assignment forthwith by notice in writing to the Employment Business where:
  - (a) The Contractor is in wilful or persistent breach of its obligations;
  - (b) The Client reasonably believes that the Contractor has not observed any condition of confidentiality applicable to the Contractor from time to time; or
  - (c) For any reason the Contractor proves unsatisfactory to the Client.
- 9.3 The Employment Business may terminate an Assignment forthwith by notice in writing:
  - (a) If the Client is in wilful or persistent breach of its obligations under these Terms; or
  - (b) If the Client becomes bankrupt or has a receiving order or administrative order made against it or is put into liquidation (save for the purposes of solvent reconstruction or amalgamation).

# 10 LAW

10.1.1 These Terms are governed by the law of England & Wales and are subject to the exclusive jurisdiction of the Courts of England & Wales.

| Signed on behalf of Minstrell Engineering<br>Ltd | Signed on behalf of |
|--|---------------------|
| Date   | Date                |