

# Employment Agency

# Terms of Business



## A. Permanent Staff

The permanent introduction fee is calculated by applying the relevant percentage to the Candidate's Salary (as defined below). The relevant percentage is the rate which corresponds with the remuneration band into which the Salary falls (as set out in the table below).

Remuneration Band	Permanent Introduction Fee
Up to £19,999	18%
£20,000 - £24,999	20%
£25,000 - £39,999	25%
£40,000 - £79,999	30%
£80,000+	33%

For part time roles, the Salary for the equivalent full time role shall be used to determine the relevant remuneration band, and the corresponding rate shall be applied to the part time Salary.

The Salary means the total first year gross remuneration together with all bonuses and benefits (including car allowance) before applying any exemptions or deductions for income tax purposes. Where a car or car allowance is provided, the amount of the benefit shall be £5,000 or the actual car allowance, whichever is greater. For the purpose of calculating the permanent introduction fee, (1) the Salary will be as advised by the Client at the time of booking or the actual Salary to be paid to the Candidate, whichever is greater; and (2) the Salary (whether advised or actual) shall not be reduced by (i) the earlier termination of the Candidate's employment or (ii) any reduction in the Candidate's remuneration, howsoever arising.

## B. Fixed Term Contracts

If the Client employs a Candidate on a fixed term contract of up to 6 months, the fee shall be 75% of the permanent introduction fee.

If the Client employs a Candidate on a fixed term contract of between 6 months and 12 months, the fee shall be 100% of the permanent introduction fee.

For the purpose of calculating the permanent introduction fee, the Salary for the equivalent role over a 12 month period shall be used and the corresponding rate as set out in the table in A above shall be applied to such Salary.

If the contract duration is extended, or the Client engages the Candidate in any capacity within 12 months of introduction, the Client shall be liable for the balance of the permanent introduction fee.

## C. Retained Assignments

The Client may engage Reed on a retained assignment to carry out a direct campaign to source Candidates for a specific role.

Retainer Fee – 10% of the Salary, due upon commencement of the retained assignment and non-refundable.

Placement Fee – the permanent introduction fee (as calculated in A above) less the Retainer Fee, due upon a Candidate's commencement of the employment or engagement with the Client.

1. Definitions and interpretation: Candidate" means a person or limited company introduced by Reed to the Client for the purpose of a Position. If a Candidate is a limited company, any reference to being employed by a Client shall be replaced by being engaged by a Client. "Client" means the hirer who has requested Reed to introduce a Candidate or to whom Reed has introduced a Candidate. "engaging a Candidate in any capacity" means employing, engaging or making use of a Candidate in any role on any basis, including without limitation, on a permanent, fixed term, temporary or self employed basis. "introduction" means the provision by Reed to the Client of any details, whether written or oral, of a Candidate or the Client's interview of a Candidate, and "introduce" shall be construed accordingly. "Position" means a permanent or fixed term role within the Client's organisation, as appropriate. "Reed" means Reed Specialist Recruitment Limited. "Regulations" means the Conduct of Employment Agencies and Employment Businesses

Regulations 2003. "Terms" means these Employment Agency Terms of Business and any agreed variations.

2. These Terms take effect from 1st June 2015 and supersede any previous terms of business issued by Reed. The Terms contain the entire agreement between the parties, and any terms put forward by the Client are excluded.

3. When introducing a Candidate for permanent or fixed term employment, Reed is acting as an employment agency as defined in the Regulations.

4. If, following receipt of these Terms, the Client deals with Reed in respect of the introduction of Candidates for any Position, or engages a Candidate in any capacity, the Client is deemed to have accepted these Terms.

5. No variation of these Terms is valid or shall be binding on Reed unless confirmed in writing by Reed to the Client.

6. By engaging a Candidate in any capacity, the Client will be liable for the permanent introduction fee, except where employing a Candidate on a fixed term contract in which case the Client shall be liable for the fixed term contract fee.

7. All invoices are payable within 14 days of receipt. Receipt of invoice shall be deemed to be two days after the date shown on the invoice. VAT is payable at the prevailing rate.

8. Reed reserves the right to charge interest on all invoices raised from the last date that payment was due until the date of payment calculated at the rate of 2% per calendar month or part thereof.

9. In respect of a Position, the Client shall provide Reed with the following information: (1) its full corporate name, address and registered number or, where not applicable, its full business and trading name and address, and the nature of its business; (2) the nature of the Position, including the type of work involved, the location, the hours of work, the commencement date, and the likely duration; (3) any risks to health and safety known to the Client and the steps taken by the Client to prevent or control such risks; (4) the experience, training, qualifications and any authorisations which are required by the Client including any which the Client is aware are required by law or by any professional body in respect of such Position; (5) any expenses payable by or to the Candidate; (6) the minimum remuneration, the intervals of payment, and any other benefits in relation to the Position; (7) the lengths of notice which the Candidate would be entitled to receive or be required to give for termination of employment; (8) if it intends to engage the Candidate otherwise than as an employee on a contract of services; and (9) if the Position involves working with vulnerable persons, including without limitation, persons under the age of 18, or persons in need of care or attention by reason of old age, infirmity or any other circumstances.

10. The Client is responsible for satisfying itself that a Candidate is suitable for the Position. It is also the Client's responsibility to obtain a work permit for the Candidate wherever necessary.

11. Reed accepts no liability whatsoever for any loss, damage, costs or expenses howsoever caused which the Client may suffer or incur arising out of or in connection with the introduction to or the engagement by the Client of a Candidate unless such loss, damage, costs or expenses are a direct result of the negligent acts or omissions of Reed. For the avoidance of doubt, nothing in this clause shall be deemed to exclude any liability which cannot by law be excluded, including without limitation, liability for death or personal injury and fraudulent misrepresentation.

12. If, after an offer of employment has been accepted by a Candidate, the Client withdraws such offer, it shall be liable for a cancellation fee of 50% of the permanent introduction fee or the fixed term contract fee, as appropriate.

13. If the Client engages a Candidate in any capacity within one year of the Candidate being introduced by Reed, or if the Client refers a Candidate to a third party which engages the Candidate in any capacity, the Client will be liable for the permanent introduction fee. If the Salary is not known to Reed, the permanent introduction fee shall be £20,000.

14. If, within 12 months of registration of a Position, any employee of Reed with whom the Client has dealt during that 12 month period is engaged by the Client in any capacity, the Client will be liable to Reed for an introduction fee of £10,000.

15. By asking Reed to introduce Candidates for a Position, the Client is authorising Reed to advertise such Position.

16. The Client shall inform Reed immediately if it becomes aware of any circumstances which would render the employment of any Candidate detrimental to the interests of the Candidate or the Client.

17. On request, Reed will supply to the Client copies of any relevant qualifications or authorisations provided to Reed (except where Reed is not permitted to obtain, verify or disclose the same or where the Client is required by law or by the rules of any relevant regulatory or professional body to obtain or verify the same) and copies of non-confidential references in Reed's possession where the position involves working with vulnerable persons, including without limitation, persons under the age of 18, or persons in need of care or attention by reason of old age, infirmity or any other circumstances.

18. The Client shall not bring any claim or legal proceedings in respect of any refund, credit note, debt, overpayment (including VAT) or other repayment, howsoever arising, after the expiry of 4 years after the date on which the relevant payment was made.

19. If any provision or part thereof of these Terms is held to be illegal or unenforceable the validity or enforceability of the remainder of the relevant provision and the Terms shall not be affected.

20. Guarantee of Satisfaction: In the event of a Candidate leaving the Client's employment within 8 weeks of commencement for any reason other than redundancy or material change to the Position, Reed shall offer a rebate or a free replacement. The rebate shall be calculated by the following formula: 8 minus the number of weeks worked (rounded up) x one eighth of the permanent introduction fee.

This Guarantee of Satisfaction shall not apply (i) where the Client has not already paid the permanent introduction fee in accordance with clause 7; or (ii) where the Client has failed to notify Reed of the Candidate's termination of employment in writing within 7 days of such termination; or (iii) to the free replacement, fixed term contract placements, fixed term contract to permanent conversions, or temporary to permanent conversions; or (iv) to the Retainer Fee (for the purposes of calculating any rebate, the amount of the Placement Fee shall be deemed to be the permanent introduction fee); or (v) to engagements under clause 13 which are not notified to Reed; or (vi) to engagements under clause 14.

21. If within 12 months of the end of the employment, the Client re-engages any Candidate to whom the Guarantee applied:

- any rebate paid to the Client shall be repayable to Reed; or
- if the Client accepted a replacement, then the Client shall be liable for a permanent introduction fee in respect of the replacement.

22. A minimum introduction fee of £2000 shall apply to all permanent placements and fixed term contract placements of more than 6 months duration. For fixed term contract placements up to 6 months duration, the minimum introduction fee shall be £1500.

23. Neither party shall disclose any information of the other which is designated confidential or which ought reasonably to be regarded as confidential, except for information which is already in the public domain (otherwise than by breach of this clause) or where disclosure is required by law.

24. Both parties shall comply with all applicable law, including without limitation, the Data Protection Act 1998 and all anti-discrimination legislation.

25. These Terms of Business shall be governed by English law and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

# Employment Business

## Terms of Business



### GENERAL

The following terms apply to all Temporaries:

**1.** Definitions and interpretation: "Client" means the hirer who has requested Reed to introduce a Temporary or to whom Reed has introduced a Temporary. "Contractor" means a corporate entity which is introduced or supplied by Reed to the Client for the purpose of a temporary assignment. "engaging a Temporary in any capacity" means employing, engaging or making use of a Temporary in any role on any basis, including without limitation, on a permanent, fixed term, temporary or self employed basis. "introduction" means the provision by Reed to the Client of any details, whether written or oral, of a Temporary candidate or the Client's interview of a Temporary candidate, and "introduce" shall be construed accordingly. "permanent introduction fee" means the fee calculated in accordance with the employment agency terms of business. "Reed" means Reed Specialist Recruitment Limited. "Regulations" means the Conduct of Employment Agencies and Employment Businesses Regulations 2003. "Relevant Period" means the relevant period as defined in the Regulations. "Temporary" means a Temporary Employee or Contractor. "Temporary Employee" means a person who is employed by Reed or any member of the Reed group and who is introduced or supplied by Reed to the Client for the purpose of a temporary assignment. "Terms" means these Employment Business Terms of Business and any agreed variations.

**2.** These Terms take effect from 1st June 2015 and supersede any previous terms of business issued by Reed. The Terms contain the entire agreement between the parties, and any terms put forward by the Client are excluded.

**3.** If, following receipt of these Terms, the Client deals with Reed in respect of the introduction or supply of Temporaries, or engages a Temporary in any capacity, the Client is deemed to have accepted these Terms.

**4.** No variation of these Terms is valid or shall be binding on Reed unless confirmed by Reed in writing to the Client.

**5.** The charge made for a Temporary will be in accordance with the scale of charges advised to the Client at the time of booking and will be calculated by multiplying the hourly or daily charge rate by the number of hours or days worked by the Temporary. Where the Temporary is a Temporary Employee, the charge rate comprises the Temporary's hourly pay rate, Reed's commission, payment in respect of holiday entitlement under the Working Time Regulations 1998, pension contribution entitlement under the Pensions Act 2008 and Employer's National Insurance contributions, plus any other statutory costs and/or entitlements which may arise from time to time. Where the Temporary is a Contractor, the charge rate comprises the Temporary's pay rate plus Reed's commission.

**6.** All invoices are payable within 14 days of receipt. Receipt of invoice shall be deemed to be two days after the date shown on the invoice. VAT is payable at the prevailing rate.

**7.** The Client shall reimburse travelling and other expenses reasonably incurred by a Temporary. In addition, the Client shall be liable to pay any employer's national insurance contributions applicable to such expenses where (1) the Client's advised expenses rate exceeds HMRC's scale rates, or (2) the Client approves reimbursement of expenses without receipt.

**8.** Reed reserves the right to charge interest on all invoices raised from the last date that payment was due until the date of payment calculated at the rate of 2% per calendar month or part thereof.

**9.** In respect of an assignment, the Client shall provide Reed with the following information: (1) its full corporate name, address and registered number or, where not applicable, its full business and trading name and address, and the nature of its business; (2) the nature

of the temporary assignment, including the type of work involved, the location, the hours of work, the commencement date, and the likely duration; (3) any risks to health and safety known to the Client and the steps taken by the Client to prevent or control such risks; (4) the experience, training, qualifications and any authorisations which are required by the Client including any which the Client is aware are required by law or by any professional body in respect of such temporary assignment; (5) any expenses payable by or to the Temporary; and (6) if the temporary assignment involves working with vulnerable persons, including without limitation, persons under the age of 18, or persons in need of care or attention by reason of old age, infirmity or any other circumstances.

**10.** Reed's responsibility to the Client is to select a Temporary in accordance with the Client's requirements as to experience, training and qualifications as notified to Reed at the time of the booking. It is the Client's responsibility to supply Reed with sufficient information and to respond completely and accurately to Reed's questions to enable Reed to select a Temporary with appropriate experience, training and qualifications.

**11.** The Client shall not at any time during the assignment require the Temporary to perform any act which is unlawful or which would render Reed liable to any legal action from the Temporary or any third party. The Client warrants that no Temporary will be used to perform the duties normally performed by a worker who is taking part in an official strike or other official industrial action (the first worker), or the duties normally performed by the first worker's replacement.

**12.** Reed accepts no liability whatsoever for any loss, damage, costs or expenses howsoever caused which the Client may suffer or incur arising out of or in connection with the introduction or supply to or engagement by the Client of a Temporary, and/or the acts or omissions of a Temporary, unless such loss, damage, costs or expenses are a direct result of the negligent acts or omissions of Reed. For the avoidance of doubt, nothing in this clause shall be deemed to exclude any liability which cannot by law be excluded, including without limitation, liability for death or personal injury and fraudulent misrepresentation.

**13.** Overtime and shift premiums, unless otherwise agreed in writing prior to the temporary assignment, are payable on the following basis: (1) an overtime premium of 50% of the hours worked during the overtime period (i.e. one and a half times Reed's standard charge) will be applied to any hours in excess of thirty seven and a half hours worked Monday - Friday and on all hours on a Saturday; (2) an overtime premium of 100% (i.e. 2 times Reed's standard charge) will be applied to all hours worked on Sunday and Bank Holidays.

**14.** The Client is responsible for ensuring that the Temporary's ability, qualifications and skills are adequate to operate any equipment, machinery and/or vehicles that the Temporary may be called upon to operate and the Client will be responsible for any liability arising thereunder.

**15.** The Client is responsible for complying with all applicable health and safety laws and regulations and the Client will be responsible for any liability arising thereunder.

**16.** The Client shall sign, authorise or otherwise confirm the timesheets submitted by the Temporary, and such signature, authorisation or other confirmation shall be deemed conclusive evidence that the Client agrees with the hours worked by the relevant Temporary, and that the Client will pay the charges for such hours in full. However, failure by the Client to sign, authorise or otherwise confirm any timesheet shall not preclude charging by Reed in full for all time actually worked by the Temporary. Furthermore, unless Reed is notified of any dissatisfaction with the work done by the Temporary within 7 days of submission of the timesheet by the Temporary, the Client shall be deemed to be fully satisfied with such work.

**17.** If, within 12 months of registration of a temporary assignment, any employee of Reed with whom the Client has dealt during that 12 month period is engaged by the Client in any capacity, the Client will be liable to Reed for an introduction fee of £10,000.

**18.** Any Temporary driver is supplied by Reed on the understanding that he/she is deemed to be the employee of the Client for all purposes including the Transport Act 1968, Working Time Regulations 1998, and all other road transport, road traffic, drivers' hours, and health and safety legislation ("Driving Laws"). The Client (1) must comply, and is responsible for ensuring that the Temporary driver complies, with all Driving Laws, including holding valid licences where applicable; (2) must take proper steps in relation to the insurance, maintenance and safety of vehicles and effect all other necessary liability insurances; (3) shall assume control of the Temporary driver's duties, health and safety, employer's obligations and liability, journeys and hours of work and all statutory duties including EU legislation in respect of driving licences and tachographs; and (4) shall be responsible for all fines and penalties incurred by Temporary drivers, including speeding and parking fines. There is a minimum daily charge of 8 hours for a Temporary driver.

**19.** The Client shall not bring any claim or legal proceedings in respect of any refund, credit note, debt, overpayment (including VAT) or other repayment, howsoever arising, after the expiry of 4 years after the date on which the relevant payment was made.

**20.** If any provision or part thereof of these Terms of Business is held to be illegal or unenforceable the validity or enforceability of the remainder of the relevant provision and the Terms of Business shall not be affected.

**21.** Neither party shall disclose any information of the other which is designated confidential or which ought reasonably to be regarded as confidential, except for information which is already in the public domain (otherwise than by breach of this clause) or where disclosure is required by law.

**22.** Both parties shall comply with all applicable law, including without limitation, the Data Protection Act 1998 and all anti-discrimination legislation. The Client shall not unlawfully terminate any assignment.

**23.** The Client shall provide to Reed, no later than 5 working days of request, all information requested by Reed in order to comply with the Agency Workers Regulations 2010, including without limitation, details of bonuses.

**24.** These Terms of Business shall be governed by English law and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

# Employment Business

## Terms of Business



### TEMPORARY EMPLOYEES

The following terms shall apply to Temporary Employees only:

**25.** The Temporary is under the direction and control of the Client for the duration of his/her assignment. The Client shall provide the Temporary with an induction to ensure familiarity with local practices and procedures and will be responsible for supervising the Temporary to ensure an acceptable standard of performance.

**26.** Two Day Guarantee: If during the first two days of the assignment the Temporary proves to be unsatisfactory the Client should notify Reed and a two day credit will be made provided the Client is acting reasonably in concluding that the Temporary is unsatisfactory and the Temporary's services are discontinued immediately. This Two Day Guarantee shall only be available (i) for bookings of five working days or more ("working days" in this context means days to be worked by the Temporary e.g. a part time role of one working day per week will require a minimum 5 week booking for this Guarantee to apply) and (ii) in respect of a Temporary's first assignment, and not for any subsequent assignments that Temporary may undertake with the Client.

**27.** The Client is responsible for providing adequate insurance whilst the Temporary is on assignment.

**28.** Whilst the Temporary is under the Client's direction and control, the Client is responsible for ensuring that the Temporary receives entitlements to rest breaks and rest periods in accordance with the Working Time Regulations 1998.

### TEMPORARY EMPLOYEES AND REGULATED CONTRACTORS

The following terms shall apply only to Temporary Employees and Contractors who have not opted out of the Regulations:

**29.** When introducing or supplying a Temporary for a temporary assignment, Reed is acting as an employment business as defined in the Regulations.

**30.** Reed's responsibilities to the Client are to obtain references and verify any professional qualifications or authorisations which the Temporary is required to have by law or by any relevant professional body, however,

the Client shall be responsible for obtaining or verifying such references and/or qualifications where Reed is not permitted to do so.

**31.** Temporary Employees are employed under contracts of service and Reed will arrange to pay the Temporary Employees' wages and make appropriate deductions for earnings related national insurance and income tax as required by law and account to the appropriate revenue authority for these deductions. Contractors are engaged under contracts for services.

**32.** If during the temporary assignment or within the Relevant Period the Client (1) engages a Temporary directly in any capacity (including, without limitation, pursuant to the Temporary's application for an internally advertised position with the Client), or (2) engages a Temporary in any capacity through another supplier, or (3) refers a Temporary to a third party who engages the Temporary in any capacity otherwise than directly through Reed, the Client will be liable for a transfer fee in an amount equivalent to the permanent introduction fee. Where the remuneration of the relevant Temporary has not been disclosed to Reed within 7 days of request, the transfer fee shall be 1800x the hourly charge rate (or 225x the daily charge rate) applicable when the Temporary was last supplied to the Client. In the case of a Temporary who was not supplied to the Client, the Relevant Period shall be 6 months from the date of introduction and the hourly/daily charge rate shall be the rate quoted at the time of the booking, or if no rate was quoted it shall be deemed to be £20 per hour or £160 per day.

**33.** As an alternative to paying the transfer fee under clauses 32(1) and 32(2), the Client may elect by prior notice in writing to hire the Temporary for a further period of 26 weeks (the "extended hire period"). The terms governing any extended hire period shall be these Terms.

**34.** By asking Reed to introduce or supply Temporaries for a temporary assignment, the Client is authorising Reed to advertise such temporary assignment.

**35.** The Client shall inform Reed immediately if it becomes aware of any circumstances which would render any assignment detrimental to the interests of the Temporary or the Client.

**36.** On request, Reed will supply to the Client copies of any relevant qualifications or authorisations provided to Reed (except where Reed is not permitted to obtain, verify or disclose the same or where the Client is required by law or by the rules of any relevant regulatory or professional body to obtain or verify the same) and copies of non-confidential references in Reed's possession where: (1) a Temporary is required by law or a professional body to have qualifications and/or authorisations for the temporary assignment; or (2) the temporary assignment involves working with vulnerable persons, including without limitation, persons under the age of 18, or persons in need of care or attention by reason of old age, infirmity or any other circumstances.

### CONTRACTORS

The following terms shall apply to Contractors only:

**37.** The Contractor may determine the manner in which its services are provided.

**38.** Except where Contractors are dealing with vulnerable persons, all Contractors and persons supplied by the Contractors have opted out of the Regulations.

**39.** A Contractor may provide a substitute to perform its services. The Client may object to such substitute it deems in its reasonable opinion to be unsuitable owing to lack of qualifications or experience.

**40.** Non-regulated Contractors only: If within 12 months of the end of the assignment, the Client engages directly any Contractor in any capacity, or engages a Contractor through another supplier, or refers a Contractor to a third party who engages such Contractor in any capacity otherwise than directly through Reed, the Client will be liable for a transfer fee in an amount equivalent to the permanent introduction fee. Where the remuneration of the relevant person has not been disclosed to Reed within 7 days of request, the transfer fee shall be 300x the hourly charge rate (or 37.5x the daily charge rate) applicable when the Contractor was last supplied to the Client. For the purpose of this clause, Contractor includes any person supplied by the Contractor.

**Important:** These Terms of Business (both Employment Agency and Employment Business) are subject to change. The rates quoted take effect from 1st June 2015, however, please check that they are the rates currently applicable. Fees are exclusive of VAT, which shall be applied at the prevailing rate.

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